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**STATE AND CITY DEPARTMENT
BOND PROPOSALS AND NEGOTIATIONS****ALABAMA****Mobile, Ala.**

Bond Offering—Sealed bids will be received by the Board of Commissioners, through H. G. Ziegler, City Comptroller, until noon (CDST) on Sept. 27, for the purchase of \$100,000 4% semi-ann. tunnel revenue anticipation bonds. Denom. \$1,000. Dated May 1, 1939. Due May 1, 1969. Redeemable on any interest payment date on 30 days' notice at par plus accrued interest, plus a premium of $\frac{1}{4}$ of 1% of the principal amount for each 12 months' period or fraction thereof between the date of redemption and the date of maturity. Prin. and int. payable at the Merchants National Bank, Mobile, or at the Irving Trust Co., New York. These bonds are to be issued for the purpose of paying part of the cost of clearing up final legal and engineering fees and other incidental charges against construction for the City Vehicular Tunnel, and are part of an authorized issue of \$2,700,000, of which \$2,500,000 was originally purchased by the Reconstruction Finance Corporation. Legality to be approved by Masslich & Mitchell of New York. Enclose a certified check for 2% of the amount of the bid payable unconditionally to the city.

Sylacauga, Ala.

Bonds Voted—It is stated by the City Clerk that at a recent election \$70,000 2 $\frac{3}{4}$ % sewer plant construction bonds were approved. Due \$3,000 in 1942 to 1951 and \$4,000 in 1952 to 1961. These bonds are to be marketed in the near future.

ARKANSAS**Arkansas, State of**

School Board To Issue Refunding Bonds—The Board of Education at a recent session authorized the issuance of bonds as follows:

Calhoun District No. of Columbia County, \$40,000 of 3 $\frac{3}{4}$ % bonds to refund 4 $\frac{1}{2}$ % securities subject to conversion at a lower rate.

Moro District B of Lee County, \$24,000 of 4% bonds to refund 5% bonds.

Osceola District No. 1 of Mississippi County \$153,500 of 3 $\frac{3}{4}$ %

bonds to refund outstanding issues at 3 $\frac{1}{2}$ % to 4 $\frac{1}{2}$ %.

Des Arc District of Prairie County, \$77,840, of 3 $\frac{3}{4}$ % bonds to refund 4% bonds.

DeValls Bluff District of Prairie County, \$83,093.87 of 3 $\frac{3}{4}$ % bonds to refund 5% bonds.

North Little Rock District of Pulaski County, \$1,035,000 of 3.35% bonds to refund issues at 3 $\frac{1}{2}$ % to 4 $\frac{1}{2}$ %.

Smackover District of Union County, \$70,000 of 3 $\frac{3}{4}$ % bonds to refund issues at 4% to 5%, and \$6,000 of new bonds, also at 3 $\frac{3}{4}$ %, to include \$5,000 to pay non-bonded indebtedness and \$1,000 for its building fund.

Danville Special District of Yell County, \$65,000 at 3 $\frac{1}{2}$ % to 4% to refund issues at 4% to 4 $\frac{1}{4}$ %.

Ola District No. 10 of Yell County, \$17,900 of new bonds for payment of a revolving fund loan and \$16,000 of 4% bonds to refund 5% issues.

Village District No. 30 of Columbia County, \$7,757.22 of 4% bonds to refund 4 $\frac{1}{2}$ % issues and \$2,847.20 of new bonds to pay warrant indebtedness.

Lockesburg District No. 16 of Sevier County \$35,660.58 4% bonds to refund 5% issues.

Fordyce, Ark.

Bond Sale—We understand that Schumacher, Russell & Co., of Little Rock, have purchased \$45,000 3% semi-ann. general obligation bonds at 101.06, divided as follows: \$5,000 fire equipment, \$2,500 city park, and \$37,500 auditorium bonds. Dated July 1, 1941. Due from Jan. 1, 1945 to 1959, callable in inverse order. Legality approved by Rose, Loughborough, Dobyns, & House, of Little Rock. (This notice supplements the sale report given in our issue of Sept. 13.)

Hartman School District (P. O. Hartman), Ark.

Bond Sale Details—It is now reported that the \$32,300 (not \$30,000), 3 $\frac{1}{2}$ % semi-ann. refunding bonds sold to the Commerce National Bank of Little Rock, as noted here in April, were purchased at par, are dated Dec. 1 1940, and mature on Jan. 1 as follows: \$800 in 1942, \$1,000 1943 to 1952, \$1,500, 1953 to 1961, and \$2,000 in 1962 to 1965.

Osceola, Ark.

Bond Sale Details—It is now reported that the \$97,000 3.85% electric revenue bonds sold to T. J. Raney & Sons of Little Rock, at par, as noted here in March, are dated April 1 1941, and mature from May 1 1941 to 1949. Prin. and int. payable at the Peoples National Bank of Little Rock.

Pulaski County (P. O. Little Rock), Ark.

Bonds Voted—We understand that at an election which was held recently \$200,000 county hospital construction bonds were voted.

CALIFORNIA**California, State of**

Warrant Sale—An issue of \$2,281,830.49 general fund registered warrants was offered for sale on Sept. 25 and was awarded to Kaiser & Co. of San Francisco, at 0.50%, plus a premium of \$1,726. Dated Sept. 30 1941. Due on or about Feb. 25 1942.

This represents a new low interest cost, and was stated to reflect the improved financial condition of the State. In the current biennium it is expected that the carryover deficit of \$40,000,000 will be wiped out and a surplus of \$50,000,000 established.

Humboldt County (P. O. Eureka), Calif.

School Bond Offering—Sealed bids will be received by Fred J. Moore, Jr., County Clerk, until 11 a.m. on Oct. 1, for the purchase of \$20,000 Rio Dell Elementary School District bonds.

Mariposa County (P. O. Mariposa), Calif.

Note Sale Continued—it is stated by J. C. Grosjean, County Clerk, that the sale of the \$25,000 tax anticipation notes which had been scheduled originally

scheduled for Sept. 25—v. 154, p. 225—has been continued until Oct. 6. Due in six months.

Orange County (P. O. Santa Ana), Calif.

School Note Offering—Sealed bids will be received by B. J. Smith, County Clerk, until 10 a.m. on Sept. 30, for the purchase of \$8,000 Seal Beach School District tax anticipation notes. Interest rate is not to exceed 5%. Dated Oct. 1 1941. Due on Dec. 30 1941. A certified check for 3% of the bid is required.

School Notes Sold—The County Clerk states that \$50,000 Santa Ana High School District tax anticipation notes were awarded on Sept. 23 to the First National Bank of Santa Ana, at 1%.

Additional Note Offerings—Sealed bids will be received at the same time by the above Clerk, for the purchase of the following tax anticipation notes aggregating \$31,000:

\$13,000 Garden Grove Union High School District notes. Dated Sept. 29 1941. Due on Dec. 29 1941.

13,000 Tustin Union High School District notes. Dated Sept. 30 1940. Due on Dec. 30 1941.

Interest rate is not to exceed 5%. A certified check for 3% is required with each bid.

Sacramento County (P. O. Sacramento), Calif.

School Bond Offering—Sealed bids will be received until 10 a.m. on Oct. 6, by T. F. Patterson, County Clerk, for the purchase of \$35,000 Carmichael School District construction bonds. Interest rate is not to exceed 5%, payable A - O. Denom. \$1,000. A certified check for 10% of the bid, payable to the Chairman of the Board of Supervisors, is required.

San Francisco, Calif.

Interest Rate On Proposed Hetch Hetchy Bonds Limited To 5%—By a vote of 7 to 1, the board of supervisors on Sept. 15, placed the proposed \$66,500,000 Hetch Hetchy revenue bonds issue on the ballot as a charter amendment—for final decision by San Francisco voters at the polls on November 4. Supervisor Adolph Uhl stated, voting affirmatively, that he did so only because he felt the matter should be voted on by the people and did not commit himself "for or against the proposal at this time." Supervisor Jesse Colman cast the only negative vote. "Issuance of revenue bonds makes it

easier for the city to go into debt," Colman argued.

The board made only one important change in the thirty page charter amendment. On a motion by Supervisor James B. McSheehy, the maximum interest rate which could be paid on revenue bond issues was fixed at 5 per cent instead of "not to exceed the rate fixed by law for general obligation bonds" (meaning a maximum of 6 per cent), as provided in the amendment's original language.

(Previous report of the scheduled vote on the bonds appeared in—v. 154, p. 33.)

San Francisco (City and County), Calif.

Note Offering—Sealed bids will be received by David A. Barry, Clerk of the Board of Supervisors, until 2 p.m. on Sept. 26, for the purchase of \$3,500,000 not exceeding 6% tax anticipation notes. Dated as of the day of delivery. Denom. \$10,000. Due Dec. 19, 1941. Issued under authority of Ordinance No. 1351 (Series of 1939) and payable exclusively out of taxes levied by the city and county for the fiscal year 1941-1942 without preference or priority of any one note over any other note. All of the notes shall constitute a first lien and charge against the taxes collected during the half of the fiscal year 1941-1942 in which the money represented by the notes, respectively shall be borrowed and shall be repaid from the first moneys received from said taxes and before any part thereof is used for any other purpose.

Sonoma County (P. O. Santa Rosa), Calif.

Bond Election Contemplated—We understand that an election may be called to submit to the voters an issue of \$75,000 county airport bonds.

Waterford Irrigation District (P. O. Waterford), Calif.

Bond Redemption Notice—According to recent report, funds have been deposited with American Trust Company 464 California Street, San Francisco, for payment of bonds and interest coupons of the above district not purchased by RFC under the plan of readjustment. Bonds are to be presented for payment on or before Oct. 11, 1941, to the disbursing agent, and thereafter to the Clerk of the United States District Court at Sacramento.

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**The Financial Chronicle
Was Designed For Binding**

For a permanent, all-time record of important financial developments, we suggest that you have your copies of the Financial Chronicle bound every three months—just as many other subscribers have been doing for years. These bound volumes of the Financial Chronicle in its new form will be easier to handle than the older volumes. Due to the larger page size, they will be thinner and will open flat. You will find them convenient and valuable for reference purposes.

COLORADO

Colorado State College of Education (P. O. Greeley), Colorado
Bond Sale—It is stated by Glen C. Turner, Controller of the College, that \$17,000 3% semi-ann. refunding bonds were sold to various investors. Denom. \$1,000. Dated July 1, 1941. Due July 1, as follows: \$8,000 in 1954 and \$9,000 in 1955. Prin. and int. payable at the Controller's office. Legality approved by Myles P. Tallmadge, of Denver. These bonds are the unsold portion of an issue of \$100,000, offered on May 29, 1941.

CONNECTICUT

Connecticut (State of)

Changes in List of Legal Investments—The following bulletin (No. 2), showing the latest revisions in the list of investments considered legal for savings banks, was issued by the State Bank Commissioner on Sept. 25:

Additions

Atchison, Topeka & Santa Fe Equipment Trust, Series E 1½s, 1942 to 1951
 Wisconsin Power & Light Company First 3½s, 1971

Peabody, Massachusetts
 Revere, Massachusetts
Deduction
 Pennsylvania Electric Company All issues

\$3,117,911 In Bond Retirement Fund—An Associated Press dispatch from Hartford, dated Sept. 23, reported as follows:

The state's investment committee wondered today whether the large sums reported by Comptroller John M. Dowe will develop into a temporary frozen asset.

The committee met in the state treasurer's office this afternoon and among the subjects discussed was the question of what to do with \$3,117,911.88 which will constitute the state's first bond retirement fund.

This is the balance of the \$5,393,514.73 accumulated surplus with which the state began its new biennium on July 1.

This money must be used solely for the retirement of the state's \$25,000,000 bond issue, although it may be deposited in Connecticut mutual savings banks. It can be called upon for no other purpose than to retire outstanding state bonds.

"We don't know what to do with it," Finance Commissioner Lewis W. Phelps said today. "There are no Connecticut bonds on the market for purchase because they are first rank investments which bond holders don't like to give up. We are also stumped by the fact that banks don't want large deposits. So, it is possible that the \$3,117,000 may rest indefinitely in the treasurer's safe."

\$1,150,000 Bonds Purchased From Public—The Hartford Courant of Sept. 25 reported as follows:

Despite the fear of financial officials that the State might not be able to take up state bonds for whose retirement \$3,000,000 is now available, State Treasurer Frank M. Anastasio Wednesday purchased \$1,150,000 of these obligations held by the public and expected shortly to complete negotiations for the retirement of \$710,000 more.

He said that, although it was necessary to pay a premium to buy these 1945 and 1946 maturities, the purchase will save the state some \$40,000 in interest payments.

These bond purchases reduce to \$20,635,000 the state's debt on the original 1939 issue of \$25,000,000 in bonds.

They were made from a special bond retirement fund of more than \$3,000,000 set up out of the accumulated general fund surplus

under the terms of an act of the 1941 Legislature.

Previously, fiscal experts of the state had expressed doubt that holders of the state obligations would be willing to part with them because of their high rating as sound investments. At the same time, they felt the state would also have difficulty in depositing the \$3,000,000 retirement fund in savings banks because of their reluctance to accept large deposits.

Hartford County Metropolitan District (P. O. Hartford), Conn.

Proposed Bond Issue—Charles A. Goodwin, Chairman, has called a meeting of the Board of Commissioners for Sept. 29 to consider an issue of \$2,000,000 bonds for development of water supply facilities. The Finance Board has approved the issue and if two-thirds of the Commission act similarly, the matter of issuing the loan will be placed on the ballot at the November general election.

FLORIDA

Florida, State of

Municipal Situation Surveyed—The following comments are taken from the September municipal bond bulletin, issued by A. B. Morrison & Co., Congress Bldg., Miami:

There has been comparatively little change, generally speaking, in the price levels of Florida Municipals during the past month. Special orders may run prices up on certain issues but the general level fluctuates within narrow limits. Volume, relatively speaking, has been small. Apparently a lot of investors are still marking time, and are disinclined either to buy or sell. New issues have gone only fairly well, part being put away quickly but the remainder moving slowly.

It rather looks as though county tax collections might not start promptly in all counties on November first. The difficulty has been in the state's arriving at a proper figure for assessments for railroads. These have finally been set, after considerable controversy, but it will take time for the individual county tax rolls to be extended. It does not appear, however, that bond service is likely to be affected by the delay. State officials have done a good job thus far in insisting that, with the increase in county assessments, the millages be reduced accordingly so the tax on the individual citizen remains approximately the same.

Some difficulty is arising in the refunding of school issues where bond validation started after the 1941 Legislature adjourned. On the advice of some "brain trusters" obviously without a particle of practical knowledge, the Legislature, we are advised, passed a law that all school bonds are optional after ten years. Why, we don't know. This law is causing delay and expenses to the school districts in several situations.

Florida is expecting another big tourist season. Present indications seem to bear out this expectation. New building construction, due to defense priorities, is badly off but in our opinion there will be ample housing capacity for all the tourists.

It doesn't look to us as though one phase of the gas tax law is going to work out as expected. We refer to the surplus supposed to constitute a revolving fund which the State Board of Administration can use to help the weaker counties. However, as fast as the new allocation to individual counties is certified the surplus, if any, is immediately turned over, 80% to the State Road Department and 20% to the particular county, for road construction therein. It doesn't look to us as though there would be any sizeable surplus at any time

but it may not be needed. Time will tell.

Fort Lauderdale, Fla.

Bond Reoffering Deferred—It is stated by S. H. Marshall, City Auditor and Clerk, that no action has been taken to reoffer the \$4,350,000 4% semi-ann. refunding bonds unsuccessfully offered on March 31, when no bids were received, as noted here at that time.

Hillsborough County (P. O. Tampa), Fla.

Bond Offering—Sealed bids will be received by F. W. Ball, Chairman of the Board of County Commissioners, until 11 a.m., on Oct. 4, for the purchase of \$173,750 3% semi-ann. refunding, series 1941 A bonds. Denom. \$1,000. Dated Sept. 1, 1941. Due Sept. 1, as follows: \$8,750 in 1944, \$9,000 in 1945 to 1949, and \$10,000 in 1950 to 1961. Prin. and int. payable at the Guaranty Trust Co., New York. The successful bidder will be required in addition to the sum bid for the bonds, to pay accrued interest on the bonds, from the date thereof until date of delivery and each bid submitted should state that the bidder will pay such accrued interest in addition to the sum bid for the bonds. The Board reserves the right to issue and deliver to the successful bidder at the bid price only so many of the bonds described in the notice of sale as will, at the price bid for the bonds, yield the sum of \$144,984.57, and in the event of the issuance and delivery of bonds in a less principal amount than \$173,750, the bonds delivered will be those numbered and maturing as described above beginning with bond number 1 and continuing serially thereafter until the required number of bonds be issued and delivered to yield at the price bid the sum of \$144,984.57, in which event the highest numbered bond issued and delivered may be in such reduced principal amount, with reduction accordingly of the coupons thereon annexed, as will permit the aggregate principal amount of bonds issued and delivered to the purchaser to be equivalent to the amount of bonds required at the price bid to yield the sum of \$144,984.57. The bonds represent County-wide obligations, and the delivery will be attended by the approving opinion of Caldwell & Raymond, of New York, without cost or expense to the purchaser. The bonds have been validated by decree of the Circuit Court of the County, which has been affirmed by the Supreme Court of the State. Enclose a certified check for \$3,500.

Refunding Issue Approved by State Supreme Court—The proposal of the county to issue refunding bonds to pay off approximately \$2,500,000 of "boomtime paving certificates" has been approved by the State Supreme Court, according to Tampa news dispatches of Sept. 20. The court, it was said, ruled that the county may issue the bonds without an election.

"The judgments here involved have the effect and status equivalent to that of a duly authorized bonded indebtedness," the opinion said. "Payment may be coerced by requiring an unlimited tax levy on all property in the County subject to taxation at the time the obligation accrued."

"The record shows that the issuance of the proposed bonds not only will result in the saving to the County of large sums of money in principal but will also provide a method of payment of the present outstanding obligations with less hardship on the taxpayers than will obtain if the judgment holders must rely upon their legal rights to enforce the payment of the judgments as they stand."

The court's ruling affirmed a decision of Circuit Judge Parks

validating a \$173,750 bond issue to pay a judgment obtained by Harold H. Raymond and John A. Walsh.

Homestead, Fla.

Loan Approved by RFC—It is stated by Ira C. Haycock, City Attorney, that the RFC has approved the city's application for a \$75,000 loan to construct a municipal light plant addition.

Plant City, Fla.

Bond Tenders Not Submitted—It is stated by J. B. Peebles, City Clerk, that no tenders or refunding bonds, issue of Aug. 1 1936, were received on Sept. 22.

Polk County Special Tax School Districts (P. O. Bartow), Fla.

Bond Call—It is stated by F. E. Brigham, Secretary of the Board of Public Instruction, that the following series A, 6% refunding bonds are being called for payment on Nov. 1:

Spec. Tax Sch. Dist. No. 9, Nos. 3 to 58, to the amount of \$31,500. Denominations \$1,000 and \$500.
 Spec. Tax Sch. Dist. No. 12, Nos. 1 to 18, to the amount of \$15,500. Denominations \$1,000 and \$500.

Spec. Tax Sch. Dist. No. 40, Nos. 1 to 53, to the amount of \$26,500. Denomination \$500.

Dated May 1, 1939. Due May 1, 1959. Said bonds are payable on presentation with all unmatured coupons, at the Chase National Bank, New York City. Interest ceases on Nov. 1, 1941.

Port of Palm Beach (P. O. Port Palm), Fla.

Additional Information—In connection with the sale of the \$75,000 revenue bonds to John Nuveen & Co. of Chicago, divided: \$28,000 as 4½s, and \$47,000 as 5s, it is now stated that the bonds mature March 1, each year, and are callable on 30 days notice on any interest payment date on and after March 1, 1942, in inverse numerical order at 104 to Sept. 1, 1942, thereafter at 103½ to Sept. 1, 1943, thereafter at 103 to Sept. 1, 1944, thereafter at 102½ to Sept. 1, 1945, thereafter at 102 to Sept. 1, 1946, thereafter at 101½ to Sept. 1, 1947, thereafter at 101 to Sept. 1, 1948, thereafter at 100½ to Sept. 1, 1949, thereafter at par to maturity. Prin. and int. payable at the La Salle National Bank, Chicago, or at the office of the Treasurer of Port of Palm Beach, West Palm Beach. Legality approved by Caldwell & Raymond of New York.

GEORGIA

Evans County (P. O. Clayton), Ga.

Bonds Authorized—It is reported that the county has been authorized to issue \$43,000 refunding bonds.

Wilcox County (P. O. Abbeville), Ga.

Bond Sale Details—In connection with the sale of the \$81,000 (not \$100,000) funding bonds and the \$43,000 (not \$45,000) refunding bonds to Brooke, Tindall & Co. of Atlanta, as 4s at par, as noted here in April, it is now stated that the bonds mature as follows: \$81,000 funding bonds. Dated Aug. 1, 1941. Due Jan. 1, as follows: \$1,000 in 1945 to 1947, \$2,000 in 1948 and 1949, \$3,000 in 1950 to 1952, \$4,000 in 1953 to 1955, \$5,000 in 1956 to 1959, \$6,000 in 1960 and 1961, and \$7,000 in 1962 to 1964.

43,000 refunding bonds. Dated July 1, 1941. Due Jan. 1, as follows: \$5,000 in 1952 to 1959 and \$3,000 in 1960.

Denom. \$1,000. Prin. and int. payable at the First National Bank, Atlanta. Legality approved by Spalding, Sibley, Troutman & Brock, of Atlanta.

IDAHO

Canyon County Independent School District No. 34 (P. O. Wilder), Idaho

Bonds Sold—The District Clerk states that \$8,000 3% semi-ann. construction bonds approved by the voters on Sept. 2, have been purchased at par by the State Department of Public Investments. Due in 20 years.

ILLINOIS

Carbondale, Ill.

Bond Sale Details—The \$65,000 water line construction bonds reported sold in v. 154, p. 130—were purchased as 3s, at par, by the First National Bank of Carbondale, the Carbondale National Bank, and City Water Works Department, according to H. A. Grater, City Clerk. They mature as follows: \$1,000 in 1944 and 1945; \$3,000 in 1946 and 1947; \$4,000 from 1948 to 1955 incl. and \$5,000 from 1956 to 1960 incl.

Champaign County (P. O. Urbana), Ill.

Warrants Authorized—We understand that the County Supervisors recently approved the issuance of warrants aggregating \$226,500 and divided as follows: \$51,000 county highway maintenance, \$18,000 blind pensions, \$38,000 tuberculosis sanatorium, \$7,687 county road and interest, due Oct. 1, 1942, \$10,812.50 road, due April 1, 1942, and \$101,000 general fund warrants.

Chicago, Ill.

Water Certificates Awarded—The \$2,000,000 water works system revenue certificates of indebtedness offered Sept. 24—v. 154, p. 177—were awarded to a syndicate composed of Harriman Ripley & Co., Inc., New York, Alex. Brown & Sons, Baltimore, A. G. Becker & Co., Chicago, W. E. Hutton & Co., Lee Higginson Corp., Spencer Trask & Co. and Jackson & Curtis, all of New York, Blair, Bonner & Co., Alfred O'Gara & Co., Martin, Burns & Corbett, McDougal & Condon, all of Chicago; Harold E. Wood & Co., St. Paul, J. M. Dain & Co., Minneapolis, and Crouse & Co. of Detroit, as 2½s, at a price of 101.939, a basis of about 2.13%. Dated May 1 1941 and due May 1 1961. The syndicate re-offered the certificates at a price of 103½, yielding more than 2.05%. Other bids, also for 2½s, were as follows:

Bidder	Rate Bid
Halsey, Stuart & Co., Inc., Blair & Co., Inc., Braun, Bowditch & Co., Webster, Dougherty & Co. and Mullany, Ross & Co.	101.848
Blynn & Co., Stranahan, Harris & Co., F. S. Mussey & Co., Otis & Co., B. J. Van Ingen & Co., Inc., Stearn, Wampler & Co., Bacon, Wipple & Co., Farwell, Chapman & Co., Robert Hawkins & Co., Haydon, Miner & Co. and V. P. Otis & Co.	101.60
First Boston Corp., Smith, Barney & Co., H. H. Montan & Co., Illinois Co. of Chicago, Wisconsin Co., Milwaukee, Wells-Dickey Co., Field, Richards & Co. and Edward Lawler Stokes & Co.	101.308
Phelps, Penn & Co., Inc., Paine, Wether & Co., L. F. Rothschild & Co., Hemphill, Noyes & Co., Eastman, Dillon & Co., Shields & Co., M. J. Moran Corp., Equitable Securities Corp., Schwabacher & Co., W. J. Whitehead & Symonds, Jockey & Co. and Charles K. Morris & Co.	101.29
Harris, Hall & Co., Lazard Freres & Co., Goldman, Sachs & Co., Union Securities Corp., Milwaukee Co., Tucker, Anthony & Co., Wheelock & Cummins and Knight, Dickinson & Kelly	100.80

DeWitt County Township High School District No. 108 (P. O. Waynesville), Ill.

Bonds Sold—C. E. Bohlander & Co. of Bloomington have purchased an issue of \$41,000 3% building bonds. Dated Aug. 1 1941. Due Oct. 1 as follows: \$2,000 from 1944 to 1953 incl. and \$3,000 from 1954 to 1960 incl. Prin. and int. (A-O) payable at the Continental Illinois National Bank & Trust Co., Chicago. Legality to be approved by Chapman & Cutler, of Chicago. Bonds were authorized at an election on Aug. 21.

Hutton Township, Ill.

Bonds Defeated—At an election on Sept. 16 the voters rejected a proposal to issue \$12,000 highway bonds.

Jefferson County (P. O. Mount Vernon), Ill.

Bonds Voted—We understand that recently the County Supervisors voted to issue \$26,000 judgment funding bonds.

Lawrence County (P. O. Lawrenceville), Ill.

Bond Issue Contemplated—We understand that the County Board of Supervisors approved recently of a survey to be made in connection with a contemplated issue of bridge construction bonds.

Mount Erie High School District, Ill.

Bonds Sold—Walter Bratch, Principal of the Board of Education, reports that the \$50,000 construction and school site bonds authorized at an election last June 30, have been sold.

Pleasant Township (P. O. Ipava), Ill.

Bonds Voted—We understand that at an election held on Sept. 3, the voters approved an issue of \$20,000 road bonds.

Raleigh, Ill.

Proposed Bond Issue—The Board of Trustees propose to issue \$40,000 water revenue bonds in connection with a WPA allotment.

Virginia, Ill.

Refinancing Planned—It is reported that the City Council discussed plans recently for the refinancing of \$94,000 water bonds.

Wapella, Ill.

Bonds Voted—At an election on Sept. 18 the voters authorized an issue of \$5,000 general obligations bonds, proceeds to be used in the construction of a \$52,000 water system. The remainder of the cost will be met from revenue bonds and a WPA grant.

INDIANA**Evansville, Ind.**

Bond Offering—Gilbert H. Bosse, City Controller, will receive sealed bids until 2 p.m. on Oct. 14 for the purchase of \$240,000 not to exceed 4% interest airport extension and improvement bonds of 1941. Dated Sept. 1 1941. Denom. \$1,000. Due \$16,000 annually on Jan. 1 from 1943 to 1957 incl. Bidder to name a single rate of interest, expressed in a multiple of $\frac{1}{4}$ of 1%. The bonds will be direct general obligations of the city, payable out of unlimited ad valorem taxes to be levied on all taxable property therein. The successful bidder will be required to make payment for and accept delivery of the bonds prior to 11 a.m. on Nov. 1, 1941, at such bank in the City of Evansville as he shall designate in writing to the City Controller. A certified check for \$7,500, payable to order of the city, is required. Legal opinion of Matson, Ross, McCord & Ice of Indianapolis will be furnished to the successful bidder at the expense of the city.

Jasper, Ind.

Bonds Sold—City Council has accepted the proposal of the DuBois County State Bank and the German-American Bank of Jasper to purchase an issue of \$120,000 water works improvement bonds.

Of the bonds, \$16,000 worth were exchanged with the DuBois County State bank for a similar amount of outstanding water works bonds which were called in and cancelled. A premium of \$280 was paid. The banks paid for the attorney's opinion on the issue, which will bear three per cent interest and will be retired in twenty years. Six bonds will mature each year for the next twenty years.

Union Township (P. O. Rural Route No. 8, Lafayette), Ind.

Bond Offering—Robert J. Giltner, Trustee, will receive sealed bids until 10 A.M. on Oct. 20 for the purchase of \$67,000 not to exceed 4% interest construction and equipment bonds, as follows:

\$33,500 school township bonds. Due \$1,000 July 1 1942; \$1,000 Jan. 1 and July 1 from 1943 to 1958 incl. and \$500 Jan. 1 1959.

33,500 civil township bonds. Due \$1,000 July 1 1942; \$1,000 Jan. 1 and July 1 from 1943 to 1958 incl. and \$500 Jan. 1 1959.

All of the bonds will be dated Oct. 1 1941. Denoms. \$1,000 and \$500. Rate of interest to be in multiples of $\frac{1}{4}$ of 1%, and not more than one interest rate shall be named by each bidder on each issue. Issued under the provision of Chapter 174 of the Acts of 1917, and all acts amendatory or supplemental thereto for the purpose of providing funds to be used in paying the cost of construction and equipment of a new school building for the use of the Township, to replace the only school building in the Township destroyed by fire on June 23, 1941. Direct obligations of the School and Civil Townships payable out of general ad valorem taxes to be levied and collected on all the taxable property in the respective Townships. The bonds will be awarded to the highest responsible bidder who has duly qualified and submitted his bid in accordance with the notice of sale. The highest bidder will be the one who offers the lowest net interest cost to the School and Civil Townships to be determined by computing the total interest on all of the bonds to their maturities and deducting therefrom the premium bid, if any. No bids for less than par and accrued interest to the date of delivery will be considered. Both issues of bonds will be ready for delivery within 15 days after the date of sale. The approving opinion of Matson, Ross, McCord & Ice, of Indianapolis, will be on file on the date of sale and will be furnished to the successful bidder at the expense of the School and Civil Townships. Enclose a certified check for 1% of the face value of the bonds.

Wayne Township School Township (P. O. Clermont), Ind.

Bond Offering—Herbert H. McClelland, Trustee, will receive sealed bids until 10 A.M. on Oct. 16 for the purchase of \$92,000 not to exceed 4½% interest building construction of 1941 bonds. Dated Oct. 15 1941. Denoms. not more than \$1,000, not less than \$500 as requested by the successful bidder. Due \$3,500 July 1, 1943 and Jan. 1, 1944 to 1954, \$3,500 Jan. 1, 1944 to 1954, \$3,500 Jan. 1, 1955, and \$4,000 Jan. 1, 1956. Bidders will be required to state the interest rate to be paid on the bonds covered by their bid, the number and denomination of the bonds bid on, and the premium, if any, to be paid. Issued under and pursuant to the 1839 Acts of the General Assembly of the State, Chapter 105, and Acts amendatory thereof and supplemental thereto for the purpose of providing funds for the construction of school buildings. No bid will be considered for less than the face value thereof, plus accrued interest from the date of the bonds to the date of maturity. No conditional bids will be accepted. In the event acceptable bids are not received on the date of sale, or for the amount determined to be sold, the Advisory Board and Trustee will convene

in adjourned special session at the same hour of each succeeding day thereafter for the purpose of receiving bids on said bonds without further advertisement, until said bonds are sold, or until further order of the Advisory Board. The approving opinion of Matson, Ross, McCord & Ice, of Indianapolis will be on file on the date of sale and will be furnished to the successful bidder at the expense of the School Township.

IOWA**Appanoose County (P. O. Centerville), Iowa**

Bond Sale—It is stated by L. A. Osborn, County Treasurer, that Jackley & Co., and the Carleton D. Beh Co., both of Des Moines, jointly, have purchased \$59,000 2% semi-ann. bridge refunding bonds for a premium of \$310.00, equal to 100.525.

Davenport, Iowa

Bond Issuance Contemplated—It is reported that the City Council recently considered a resolution calling for an issue of \$84,700 judgment bonds.

Des Moines Independent School (P. O. Des Moines), Iowa

Progress Report on Debt Refunding Plan—Lehman Bros. of New York, head of the syndicate handling the refinancing plan for the above district, have issued a progress report in which it is stated that, as of Sept. 24, a total of \$4,471,000 bonds, or 87% of the aggregate involved, have been exchanged, leaving \$669,000 still outstanding. The maturities which are still available are listed as follows: \$2,000 of 1949, \$1,000 of 1950, \$83,000 of 1951, \$66,000 of 1952, \$90,000 of 1953, \$7,000 of 1954, \$164,000 of 1955, \$107,000 of 1956, \$130,000 of 1957, and \$19,000 of 1958.

The entire issue of \$5,140,000 will mature Dec. 1, as follows: \$305,000 in 1947, \$310,000 in 1948, \$320,000 in 1949, \$330,000 in 1950, \$335,000 in 1951, \$345,000 in 1952, \$355,000 in 1953, \$380,000 in 1954, \$385,000 in 1955, \$395,000 in 1956, \$405,000 in 1957, \$415,000 in 1948, \$425,000 in 1959, and \$435,000 in 1960. Each bond will be dated June 1, 1940, except bonds maturing Dec. 1, 1960, which will be dated Dec. 1, 1940. The bonds will bear interest as follows: \$500,000 at 5% to Dec. 1, 1941, 2% to maturity, \$665,000 at 4½% to May 1, 1942, 2¼% to maturity; \$360,000 at 4 and 4½% to Feb. 1, 1943, and 2¼% to maturity; \$1,760,000 at 4¼%, 4½% and 4¾% to Feb. and Aug. 1, 1944, and 2½% to maturity; \$1,275,000 at 4 and 4½% to Sept. 1, 1945, and 2¾% to maturity, and \$580,000 at 4 and 4½% to Aug. 1, 1946, and 2¾% to maturity. The holders of old bonds, desiring to exchange them are given their choice of the maturities of the new bonds as long as they are available. Interest rates on the new bonds taken in exchange are determined by the interest rate prevailing on the old bonds. Prin. and int. payable at the District Treasurer's office. Legality approved by Chapman & Cutler of Chicago.

Members of the account associated with Lehman Bros. are as follows: Paine, Webber & Co., Iowa Des Moines National Bank & Trust Co., Central National Bank & Trust Co., Bankers Trust Co., of Des Moines, Wheelock & Cummins, Graefe & Co., V. W. Brewer & Co., John Nuveen & Co., Stern Bros. & Co., Jackley & Co., Carleton D. Beh Co., Shaw, McDermott & Sparks, Polk-Peterson Corp., Vieth, Duncan & Wood, White-Phillips Co., W. D. Hanna & Co., and Boettcher & Co.

Inwood, Iowa

Bond Sale—The \$6,500 coupon semi-ann. waterworks bonds offered for sale on Sept. 23—v. 154, p. 81—were awarded to the J. J. Kelly Co. of Des Moines, at public auction, as 1¼s, paying a price of 101.21, a basis of about 1.52%. Dated Oct. 1 1941. Due from Nov. 1 1943 to 1949 incl.

Mahaska County (P. O. Oska-loosa), Iowa

Bond Issuance Pending—It is reported that on Oct. 1, the County Supervisors are to meet to institute proceedings to issue \$42,900 funding bonds.

Toledo, Iowa

Bond Offering—It is stated by M. J. Krezek, City Treasurer, that he will receive both sealed and open bids until Oct. 13, at 8 p.m., for the purchase of \$10,000 3% semi-ann. swimming pool bonds. Dated Nov. 1, 1941. Denominations \$1,000 and \$500. Due Nov. 1, as follows: \$1,000 in 1943, \$500 in 1944, \$1,000 in 1945, \$500 in 1946, \$1,000 in 1947, \$500 in 1948, \$1,000 in 1949, \$500 in 1950, \$1,000 in 1951, \$500 in 1952, \$1,000 in 1953, \$500 in 1954, and \$1,000 in 1955. Prin. and int. payable at the City Treasurer's office. The bonds were authorized at the election held on Sept. 3, by a vote of 447 to 152. No bonds will be sold for less than par and accrued interest. Purchaser is to furnish the bonds and attorneys opinion. A certified check for \$500, payable to the City Treasurer, is required.

KANSAS**Neosho County (P. O. Erie), Kan.**

Bonds Sold—A \$9,000 issue of 1½% public relief bonds was purchased recently by the Columbian Securities Corp. of Topeka, paying a premium of \$21.23, equal to 100.2358.

KENTUCKY**Bardwell, Ky.**

Bond Sale Details—The \$60,000 4% semi-ann. electric light and power, and water works revenue bonds sold to Stein Bros. & Boyce of Louisville—v. 154, p. 131—were purchased at par and mature as follows: \$38,000 electric light and power bonds. Due on July 1: \$2,000 in 1943 to 1947, \$3,000, 1948 to 1955 and \$4,000 in 1956. 22,000 water works bonds. Due on July 1: \$1,000 in 1943 to 1958 and \$2,000 in 1959 to 1961.

Newport, Ky.

Bond Election—At the general election in November the voters will pass on the proposed issuance of \$40,000 incinerator plant bonds.

Owenton, Ky.

Bonds Sold—A \$58,000 issue of 3½% coupon water works refunding revenue bonds has been purchased jointly by Stein Bros. & Boyce, Altmsted Bros., and The Bankers Bond Co., Inc., all of Louisville, which is being re-offered for general investment at prices to yield from 1.00 to 3.33%, according to maturity. Dated June 1, 1941. Denom. \$1,000. Due June 1, as follows: \$1,000 in 1942, \$2,000 in 1943 to 1949, \$3,000 in 1950 to 1955, \$4,000 in 1956 to 1960, and \$5,000 in 1961. Callable in inverse numerical order on any interest payment date upon 30 days' published notice at 103 and accrued interest to and including June 1, 1946; thereafter at 102 and accrued interest to and including June 1, 1951; thereafter at 101 and accrued interest to and including June 1, 1956, and thereafter at 100 and accrued interest. Prin. and int. payable at the Peoples Bank & Trust Co.

Owenton. Legality approved by Grafton & Grafton of Louisville.

LOUISIANA**Acadia Parish, Sixth Ward and Crowley Drainage District (P. O. Crowley), La.**

Bond Sale—The \$240,000 issue of semi-ann. improvement bonds offered for sale on Sept. 23—v. 153, p. 1304—was awarded to Lamar, Kingston & Labouisse, paying a premium of \$12.23, equal to 100.005, a net interest cost of about 2.24%, on the bonds divided as follows: \$108,000 as 3s, due on Feb. 1, \$8,000 in 1942 to 1946, and \$11,000 in 1947 to 1951; \$13,000 as 3s, due in 1952, and \$132,000 as 2s, due on Feb. 1, \$13,000 in 1953 to 1956, and \$16,000 in 1957 to 1961.

Calcasieu Parish Road District No. 4 (P. O. Lake Charles), La.

Bond Offering Details—In connection with the offering scheduled for Oct. 21, of the \$200,000 not exceeding 4% semi-ann. road bonds—v. 154, p. 227—it is now stated that the prin. and int. (M-N) are payable at the Chase National Bank, New York. Legality approved by Chapman & Cutler of Chicago. Authority: Article XIV, Section 14, Louisiana Constitution of 1921, as amended, and Act 46 of 1921, as amended. The bonds are payable from an unlimited ad valorem tax to be levied each year without limitation as to rate or amount, sufficient to pay principal.

Kaplan, La.

Certificates Offered to Public—The Ernest M. Loeb Co., Inc. of New Orleans, is offering \$34,942 4% electric light and waterworks coupon certificates of indebtedness for general investment. Dated June 15 1941. Due from July 15 1942 to July 15 1952. Prin. and int. (J-J 15) payable at the Louisiana Savings Bank & Trust Co., New Orleans.

Leesville Sewerage District No. 3 (P. O. Leesville), La.

Bond Sale—The \$100,000 semi-ann. sewer system construction bonds offered for sale on Sept. 16—v. 153, p. 1159—were awarded to a group composed of the Equitable Securities Corp., Weil & Co., and Scharff & Jones, both of New Orleans, as 3¼s, and 3½s. Dated Oct. 1 1941. Due in 1942 to 1971.

Minden, La.

Bonds Voted—At an election on Sept. 16 the voters approved the issuance of \$150,000 bonds for light, water and sewerage line extensions by a count of 107 to 20.

MAINE**Portland, Me.**

Bond Sale—The \$55,000 coupon refunding bonds offered Sept. 25—v. 154, p. 228—were awarded to Halsey, Stuart & Co., Inc., New York, as 1¼s, at a price of 101.38, a basis of about 1.05%. Dated Oct. 1 1941 and due Oct. 1 1951. Other bids, also for 1¼s, were as follows:

Bidder	Rate B'd
First of Michigan Corp.	101.50
Walters & Symonds	101.05
F. H. Rollins & Sons, Inc.	101.95
Shades & Co.	101.55
Bond, Judge & Co.	101.235
Focus & Shatto	101.235
First National Bank of Boston	100.202
P. Brittain Kennedy & Co.	100.158

MARYLAND**Prince George's County (P. O. Upper Marlboro), Md.**

Bond Sale—The \$500,000 coupon public school bonds offered Sept. 23—v. 153, p. 869—were awarded to a group composed of John Nuveen & Co., Chicago, Lee Higginson Corp., New York, Barclay, Moore, & Co. and E. W. Clark & Co., both of Philadel-

piha, as 1 3/4s, at a price of 101.89, a basis of about 1.55%. Dated Oct. 1 1941 and due \$25,000 annually on Oct. 1 from 1942 to 1961 incl. Other bids, also for 1 3/4s, were as follows:

Bidder	Rate Bid
Kidder, Peabody & Co. and Northern Trust Co. of Chicago	101.87
Alex. Brown & Sons, Blyth & Co. and Braun, Bosworth & Co.	101.829
Stranahan, Harris & Co., Inc., G. M.-P. Murphy & Co., H. M. Byles & Co. and Stroud & Co.	101.467
Mercantile Trust Co., Baltimore, Baker, Watts & Co., Stein Bros. & Boyce, Mackubin, Legg & Co., W. W. Lanahan & Co. and Y. E. Booker & Co.	101.459
Shields & Co., B. J. Van Ingen & Co., Inc. and C. T. Williams & Co.	101.32
Phelps, Fenn & Co., Inc., R. W. Pressprich & Co. and Ferris, Ex-nicio & Co., Inc.	101.236
Halsey, Stuart & Co., Inc. and First of Michigan Corp.	101.036
Harriman Ripley & Co., Inc., First Boston Corp. and Robert C. Jones & Co.	101.00
R. S. Dickson & Co., Paine, Webber & Co. and Bacon, Stevenson & Co.	100.179

MASSACHUSETTS

Amherst, Mass.

Bond Sale—The \$600,000 coupon water bonds offered Sept. 24—v. 154, p. 228—were awarded to Smith, Barney & Co. and Weeden & Co., both of New York, jointly, as 1 3/4s, at a price of 100.539, a basis of about 1.21%. Dated Oct. 1 1941 and due \$20,000 annually on Oct. 1 from 1942 to 1971 incl. Re-offered from a yield of 0.10% to a price of 98.50, according to maturity. Other bids:

Bidder	Int. Rate	Rate Bid
Wood, Struthers & Co.	1 3/4%	100.434
Shields & Co.	1 3/4%	100.211
Graham, Parsons & Co., Bond, Judge & Co., Lyons & Shaf-to, and Perrin, West & Win-slow	1 3/4%	100.199
Estabrook & Co., R. L. Day & Co. and Whiting, Weeks & Stubbs	1 3/4%	100.139
Hornblower & Weeks, Jackson & Curtis, and H. C. Wain-wright & Co.	1 1/2%	102.76
Kidder, Peabody & Co., Harri-man Ripley & Co., Inc., First Boston Corp. and Robert Hawkins & Co.	1 1/2%	102.539
Newton, Abbe & Co. and Harris Trust & Savings Corp.	1 1/2%	102.368
Bankers Trust Co. of New York and Lazard Freres & Co.	1 1/2%	102.366
R. W. Pressprich & Co.	1 1/2%	102.269
Halsey, Stuart & Co., Inc. and E. H. Rollins & Sons, Inc.	1 1/2%	102.022
Goldman, Sachs & Co., F. S. Moseley & Co. and First of Michigan Corp.	1 1/2%	101.549
Chace, Whiteside & Symonds, Union Securities Corp., Le-gigginson Corp. and Equitable Securities Corp.	1 1/2%	100.697
	1 1/2%	100.03

Hudson, Mass.

Technical Points Impede Bond Issuance—The board of selectmen on Sept. 18 were studying the possibility that a new special town meeting may have to be called to obtain a new vote authorizing the purchase of a new diesel engine for the municipal light and power department, approved unanimously by the town at a recent special meeting.

Because of technical points in connection with the vote at the previous meeting, attorneys for the banks where negotiations are underway for bonds have requested clarification of these points before the bonds can be placed.

The vote enacted by the town at that meeting specifically called for an appropriation of \$150,000 to be used with a stated sum in the depreciation fund of the department and the technicality is raised that the vote should have instructed spending a sum "not to exceed" the amount stated.

It is likely the commissioners of public works will not need the entire \$150,000 for the project and where the vote stated that particular sum, this technical point is one problem being given considerable study in deciding whether a new meeting will be needed or not.

Another technical point which may have bearing on the vote to assure its being valid has to do with the depreciation fund of the department which since the article was first prepared has increased by some \$6600.

The vote taken by the town has been studied by the bank attorneys and a report submitted to the selectmen, who will seek steps, if found necessary to make the authorization for the engine valid. Before the bonds can be placed to borrow the money for the engine, the technicalities raised by the bank attorneys will necessarily have to be corrected.

Quincy, Mass.

Bond Sale—The \$175,000 coupon tax funding bonds offered Sept. 24—v. 154, p. 228—were awarded to Graham, Parsons & Co. and Bond, Judge & Co., both of Boston, jointly, as 0.50s, at a price of 100.046, a basis of about 0.46%. Dated Sept. 1 1941 and due \$35,000 annually on Sept. 1 from 1942 to 1946 incl. Other bids, all for 0.75% bonds, were as follows:

Bidder	Rate Bid
Second National Bank of Boston	100.592
Lee Higginson Corp. and Jackson & Curtis	100.55
National Shawmut Bank of Boston and Merchants National Bank of Boston	100.458
Wooden & Co. and G. M.-P. Murphy & Co.	100.414
First Boston Corp.	100.388
Estabrook & Co.	100.363
Tyler & Co.	100.333
Shields & Co.	100.274
Halsey, Stuart & Co., Inc.	100.271
Harris Trust & Savings Bank	100.21
Blair & Co., Inc.	100.188
Chace, Whiteside & Symonds	100.09

Salem, Mass.

Bond Offering—Arthur T. Brennan, City Treasurer, will receive sealed bids until 11 A. M. (EST) on Oct. 2 for the purchase of \$136,000 coupon street construction bonds. Dated Oct. 1 1941. Denom. \$1,000. Due Oct. 1 as follows: \$14,000 from 1942 to 1947 incl. and \$13,000 from 1948 to 1951 incl. Bidder to name rate of interest in multiples of 1/4 of 1%. Prin. and int. (A-O) payable at the National Shawmut Bank of Boston, or at the City Treasurer's office, at the option of the holder. The bonds are exempt from taxation in Massachusetts and are engraved under the supervision of and authenticated as to genuineness by The National Shawmut Bank of Boston; their legality will be approved by Messrs. Storey, Thorndike, Palmer & Dodge, whose opinion will be furnished the purchaser. All legal papers incident to this issue will be filed with said bank where they may be inspected.

MICHIGAN

Bessemer, Mich.

Seeks Ruling On Proposed Revenue Bond Issue—The City Council recently discussed the question of whether or not to hold a special election to float a second mortgage electric revenue bond issue.

A Detroit law firm, Berry and Stevens, is obtaining information for the city at the request of the Des Moines, Ia., bond firm of Shaw, McDermott and Sparks which purchased the original light plant revenue bonds of \$103,000.

The information will be on whether the city can float a bond issue under a Michigan law which makes an election unnecessary. If the report is in the affirmative the Des Moines firm will buy the bonds.

If funds can be raised without the election, the city will seek \$32,000; however, if an election is necessary it will be on the sum of \$75,000, reports Mayor Basil J. Buchko.

The original bond issue on the light plant approved by the taxpayers was \$135,000. Only \$103,000 was used. A payment of \$11,053.42 must be made by the city for an overrun on construction expenses at the light plant. The federal works agency will not pay the final grant of \$18,875 to the city on the plant until the city pays this sum, which would be taken from the \$32,000.

The remainder of the \$32,000 would be used toward purchase of a third generating unit at the light plant. If the \$75,000 amount were approved, it would be sufficient to pay for the over run and the third generating unit.

Dearborn Township School District No. 4 (Dearborn), Mich.

Successful Bidder—Stranahan, Harris & Co., Inc. of Toledo, were successful bidders for the \$103,000 refunding bonds awarded Sept. 8, as noted in—v. 154, p. 132.

Harrison and Clinton Townships Fractional School Districts No. 3, Mich.

Bond Call—Mrs. Theodore Henschen, District Secretary, announces the call for redemption on Nov. 1 1941, at par and accrued interest, of outstanding refunding bonds, dated May 1 1937, Nos. 5 to 61 incl., payable Nov. 1 1966, and callable on any interest payment date. Bonds will be redeemed at the Detroit Trust Co., Detroit.

Harrisville Consolidated School District (P. O. Harrisville), Mich.

Bonds Voted—It is stated by George Freer, Secretary of the Board of Education, that an election held recently an issue of \$13,000 construction bonds was approved. The bonds will be marketed if approved by the State Public Debt Commission.

Lincoln Park, Mich.

Tenders Wanted—John M. O'Connor, City Clerk, will receive sealed tenders of 1935 certificates of indebtedness, series A, B, C and D, dated May 1, 1937, until 8 P. M. (EST) on Sept. 29. Amounts on hand in the various sinking funds as of Sept. 1 1941, are as follows:

1935 Certificates of Indebtedness, Series "A"	\$4,319.46
1935 Certificates of Indebtedness, Series "B"	442.52
1935 Certificates of Indebtedness, Series "C"	1,287.41
1935 Certificates of Indebtedness, Series "D"	772.50

Tenders should fully describe the securities offered, including certificate numbers, their par values, and the amount for which they will be sold to the City. Offerings should be firm for five days.

Livonia and Nankin Townships Fractional School District No. 8 (P. O. Route 4, Plymouth), Mich.

Bond Sale—The \$25,000 school bonds offered Sept. 22—v. 154, p. 132—were awarded to the First of Michigan Corp., Detroit. Dated Sept. 1 1941. Coupon bonds in \$1,000 denoms. Due Oct 1 as follows: \$1,000 from 1943 to 1945 incl. and \$2,000 from 1946 to 1956 incl. Bonds Nos. 20 to 25 incl. will be subject to call prior to maturity, in inverse numerical order, at par and accrued interest, upon 30 days' published notice, on and after the following dates as follows: Nos. 24 and 25 on and after Oct. 1 1942; 22 and 23 on and after Oct. 1 1943; 20 and 21 on and after Oct. 1 1944.

Livonia Township School District No. 4 (P. O. R. F. D. No. 3, Plymouth), Mich.

Bond Sale—The \$46,000 coupon refunding bonds offered Sept. 22—v. 154, p. 132—were awarded to H. V. Sattley & Co. and Crouse & Co., both of Detroit, jointly. Dated Oct. 1 1941. Denom. \$1,000. Due \$2,000 annually on Nov. 1 from 1942 to 1946 incl. Bonds Nos. 39 to 46 incl. will be callable, in inverse numerical order, at par and accrued interest, upon 30 days' published notice, on any interest payment date as follows: Nos. 46 and 45 on and after Nov. 1 1942; 43 and 44 on and after Nov. 1 1943; 41 and 42 on and after Nov. 1 1944; 39 and 40 on and after Nov. 1 1945.

Mount Morris School District, Mich.

Plans Sale Of Refunding Issue—In an effort to reduce the interest rate on its bonded indebtedness, the Mt. Morris school board is making arrangements to call in its present bonds totalling \$92,000, and offer a new issue to the lowest bidder within the next six weeks.

The entire lot of new bonds would be sold in one group to the bonding firm agreeing to underwrite the issue at the lowest interest rate.

Present plans call for opening all bids Oct. 8; issuing the new bonds Oct. 15 and calling in the old ones on Nov. 1. The new issue would be for a total of \$70,000 with the difference between that and the present indebtedness to be paid off with money now in the school treasury.

The board announces it has a stand-by bid of 2 1/2 per cent, hence to get any consideration a bonding company would need to bid a lower figure than this.

School officials are looking for exceptionally good bids in view of the fact school bonds are tax-free and the district has made phenomenal reduction in the school debt since the present issue for bonds was made in 1936. At that time the debt principal was \$155,000 while in addition there were \$40,000 of delinquent interest.

In addition to this reduction from nearly \$200,000 to \$70,000 the school has increased its enrollment from 800 to approximately 1,300; a new two-story wing has been added to the old building; the program of education has been broadened and much equipment added.

Saginaw, Mich.

No Public Offering Planned—R. F. Agard, Director of Finance, reports that the \$69,500 special assessment sewer and paving bonds, which were recently approved by the State Public Debt Commission, will be invested in city funds and no public offering is to be made.

St. Clair Shores, Mich.

Tenders Wanted—Walter F. Pratt, Village Clerk, will receive sealed tenders of refunding bonds, series A, and interest-refunding certificates, dated Oct. 1 1937, until 8 P. M. (EST) on Oct. 7. Approximate amounts on hand in the various sinking funds are as follows: interest certificates, \$4,000; series A refunding bonds, \$1,200. Tenders should fully describe the securities offered, including serial numbers, their par value and the amount for which they will be sold to the village. Offerings should be firm for two days.

Troy Township School District No. 7 (P. O. Clawson), Mich.

Tenders Wanted—Mrs. Emeline Burns, District Secretary, will receive sealed tenders of 1937 refunding bonds, series A and B, and 1937 certificates of indebtedness, dated Oct. 1 1937, until 8 P. M. (EST) on Oct. 6. Amounts on hand in the various sinking funds are as follows: 1937 bonds, series A and B, \$2,000; 1937 certificates, \$1,000. Tenders should fully describe the securities offered, including serial numbers, their par value and the amount for which they will be sold to the district. Offerings should be firm for two days.

MISSISSIPPI

Biloxi, Miss.

Bond Issuance Proposed—We understand that proposals were recently outlined for a water works improvement and sewage system project involving the issuance of \$300,000 bonds, to be used in connection with WPA assistance. The program will cost approximately \$1,400,000.

Greenville, Miss.

Bridge Assessment Litigation Foreseen—Litigation is said to be indicated to settle a controversy between the above city and the Chicot County, Ark., equalization board, to place a \$2,000,000 assessment against the Mississippi River Bridge connecting Greenville and Lake Village, Ark., and on which the annual payment would be \$70,000.

It is contended by the board that since the greater part of the bridge is in Chicot County the project is subject, to assessment. It further asserts that in the recent \$2,181,000 refunding, bonds of the City of Greenville issued to pay construction costs are owned by investors and that as a result the bridge is operated for profit as any other private

enterprise. The original issue was purchased by the Reconstruction Finance Corporation.

S. B. Thomas, city attorney at Greenville, said that the structure is owned by the Greenville Bridge Company and that the city's limited to \$25,000 annually for maintenance.

Hattiesburg, Miss.

Bond Sale—The \$80,000 refunding bonds offered for sale on Sept. 23—v. 154 p. 229—were awarded to O. B. Walton & Co. of Jackson, according to the City Clerk.

MISSOURI

Cape Girardeau County (P. O. Jackson), Mo.

Bonds Defeated—At a recent election the proposal to issue \$85,000 airport construction bonds was defeated, according to report.

Rolla, Mo.

Bonds Voted—At a recent election the voters are said to have approved the issuance of the following bonds: \$4,000 airport, \$16,000 city hail and jail, and \$6,000 sewer improvements.

NEBRASKA

Johnstown, Neb.

Bond Issuance Pending—It is reported that notice was recently given by the Board of Trustees of its intention to issue \$19,900 2%, 2 1/2% refunding bonds.

Walthill, Neb.

Bonds Sold—We are informed by A. P. Coleman, Village Clerk, that the following bonds aggregating \$24,000, were purchased on Sept. 23 by the First National Bank of Walthill, as 2s, paying a premium of \$11, equal to 100.045:

\$9,000 street intersection bonds. Due \$2,000 from Oct. 1 1945 to 1948, and \$1,000 in 1949. 15,000 district street improvement bonds. Due from Oct. 1 1943 to 1950 incl. Denom. \$1,000. Interest payable Oct. 1.

NEVADA

Las Vegas, Nev.

Bond Election—The issuance of \$85,000 school building construction bonds will be submitted to the voters at an election scheduled for Oct. 11, it is reported.

Sparks, Nev.

Bonds Sold—The Security National Bank of Reno is said to have purchased recently \$11,612 paving bonds as 3s, for a premium of \$101, equal to 100.89.

NEW HAMPSHIRE

Concord, N. H.

Note Sale—The Union Trust Co., Merrimack County Savings Bank, and the Loan & Trust Savings Bank, all of Concord, jointly, recently purchased \$50,000 notes at 0.20% discount. Total consisted of \$25,000 WPA notes, due April 5 1942, and \$25,000 auditorium notes, maturing May 1 1942.

NEW JERSEY

Bloomfield, N. J.

Proposed Bond Issue—The Council discussed on Sept. 11 the matter of issuing \$15,000 10-year street improvement bonds.

Camden, N. J.

Additional Refunding Contemplated—The City Comptroller has indicated in a letter to the State Funding Commission that approval will be sought of the second step in the refunding plan by issuing \$400,000 bonds.

Dumont, N. J.

Bond Offering—H. J. Bersch, Borough Clerk, will receive sealed bids until 8:30 p.m. on Oct. 14 for the purchase of \$37,000 not to exceed 4% interest coupon or registered sewer bonds. Dated

company that the City purchase the city water and electric light and power properties.

Under the law, the council could, without a vote of the people, buy the properties, if the owners would sell; and bonding companies suggest that such purchase would prove profitable to the city. The law provides that bonds issued for the purchase of the property would be a lien only on the properties involved and not on the city as a whole. That is, no real estate or personal property could be taxed to pay the bonds.

In case of default of payment, the holders of the bonds could take over the properties through suit for default of contract. In that case, it is understood, that the bondholders or their assigns could have what would amount to a 20-year franchise; but whether the rates would be fixed by the Public Utilities Commission of Ohio or by agreement with the bondholders would be a question to determine.

The proposal by a bonding company that the city buy the properties has been heard as has the representative of another bonding company; and at least a third bonding company is interested.

The bonding company, if council expressed a purpose to buy provided the purchase price were suitable, would make an appraisal of the property without expense to the city with the proviso that, if the purchase were made, the bonds should be sold to such bonding company. The rate of interest on such bonds has been tentatively figured at 3 per cent or less.

Chillicothe City School District, Ohio

Bond Offering—Leona M. Hess, Clerk of the Board of Education, will receive sealed bids until noon on Oct. 11 for the purchase of \$7,000 3% coupon school land purchase and improvement bonds. Dated Sept. 30, 1941. Denom. \$1,000. Due \$1,000 Sept. 30, 1942 to 1948. Bidders may bid for a different rate of interest in multiples of $\frac{1}{4}$ of 1%. Issued under authority of the laws of the State and of the Uniform Bond Act and under and in accordance with a resolution of the Board of Education passed on Aug. 28, 1941. The bonds will be sold to the highest bidder for not less than par and accrued interest. All bids must state the number of bonds bid for and the gross amount of the bid and accrued interest to the date of delivery. Enclose a certified check for \$500, payable to the Board of Education.

Euclid, Ohio

Bonds Sold—A syndicate composed of Otis & Co., Cleveland, Pohl & Co. and Seasongood & Mayer, both of Cincinnati, and M. A. Cayne & Co., Cleveland, has purchased \$364,000 special assessment refunding bonds as 2 $\frac{3}{4}$ s. Dated Sept. 1, 1941. Denom. \$1,000. Due Oct. 1 as follows: \$36,000 from 1943 to 1943 incl. and \$37,000 from 1949 to 1952 incl. Prin. and int. (A-O) payable at the City Auditor's office. Legality to be approved by Souire, Sanders & Dempsey of Cleveland.

Goodhope School District, Ohio

Bond Election—An issue of \$9,500 construction bonds will be considered by the voters at the November election. This would require an .8 mill levy and the bonds would be retired at the rate of \$700 for the first five years and \$600 for the succeeding ten years.

Harrison Village School District (P. O. Kersherville), Ohio

Bond Sale—The \$32,000 school building bonds offered Sept. 22—v. 154, p. 38—were awarded to J. A. White & Co. of Cincinnati, as 2s, at par plus a premium of

\$409, equal to 101.278, a basis of about 1.74%. Dated July 1, 1941 and due \$800 on May 1 and Nov. 1 from 1942 to 1961 incl. Second high bid of 100.50 for 2s was made by the BancOhio Securities Co. of Columbus.

Lakewood, Ohio

Bonds Sold—The City Treasury Investment Account has purchased the issue of \$25,000 city's portion sewer improvement bonds authorized by City Council on Sept. 2.

Mahoning County (P. O. Youngstown), Ohio

Bond Sale—The \$411,000 refunding bonds offered Sept. 24—v. 154 p. 135—were awarded to Halsey, Stuart & Co., Inc., Chicago, as 1 $\frac{1}{4}$ s, at price of 100.087, a basis of about 1.24%. Dated Oct. 1, 1941 and due as follows: \$20,500 April 1 and Oct 1 from 1943 to 1951 incl. and \$21,000 April 1 and Oct. 1 1952. Re-offered to yield from 0.30% to 1.30%, according to maturity. The bonds will constitute general obligations of the county, in the opinion of counsel payable from ad valorem taxes to be levied against all taxable property within its limits.

McGuffey-McDonald School District (P. O. McGuffey), Ohio

Note Offering—James Cooney, Clerk of the Board of Education, will receive sealed bids until 8 p.m. on Oct. 7 for the purchase of \$3,603.10 not to exceed 4% interest second series refunding notes. Dated Aug. 30, 1941. Due Aug. 30, 1943. Callable at the option of the Board of Education after Nov. 30 in any year. A certified check for 1% of the notes, payable to order of the Board of Education, is required. (Above issue was unsuccessfully offered on Aug. 19.)

Middletown, Ohio

Bonds Authorized—City Commission passed an ordinance authorizing an issue of \$6,200 not to exceed 6% interest special assessment street improvement bonds. Dated Dec. 1, 1941. Due in 10 installments.

Ohio (State of)

Local Units Continue Debt Reduction—Political subdivisions of Ohio reduced their total debts by \$24,486,233 during 1940 and since 1930, when the all-time high was reached, they have been pulling themselves out of debt at a yearly rate of about \$30,000,000.

This was disclosed Sept. 19 in statistics compiled by State Auditor Joseph T. Ferguson and included in his annual report. Akron cut its obligation nearly \$2,000,000 last year from \$35,078,339 to \$33,068,818. The city's debt in 1930 totaled \$45,075,750 or more than \$11,000,000 in excess of its obligations at the end of 1940.

The 1941 net bond reduction of Akron, when October payments are met, will be \$1,818,000. Finance Director Philip Ferguson said. This will bring Akron's debt at the end of this year down to \$32,150,818.

The debts of subdivisions, including cities, villages, townships, school districts and counties, totaled \$679,572,888 at the end of 1940, compared to \$704,059,121 at the end of 1939, the auditor's report shows.

Cleveland's debt total at the end of last year was \$111,502,949; Cincinnati, \$78,072,081, and Columbus, \$28,786,465.

Cuyahoga Falls was one of 16 cities out of 110 included in the report which increased its debt during the last decade. The Summit county debt, during the 10-year period, was reduced from \$72,485,747 to \$50,528,922.

Osgood School District, Ohio

Bond Election—An issue of \$20,000 school addition bonds will be considered by the voters at the November election.

Portsmouth City School District, Ohio

Bond Offering—Wesley P. Ridenour, Clerk of the Board of Education, will receive sealed bids until noon on Oct. 14 for the purchase of \$30,000 3% vocational school building bonds.

Dated Oct. 15, 1941. Denom. \$1,000. Due \$2,000 Oct. 15, 1943 to 1957. Bidders may bid for a different rate of interest in multiples of $\frac{1}{4}$ of 1%. Issued for the purpose of contributing the District's share of the cost of constructing, erecting and equipping a fireproof school building to be built in conjunction with Federal aid, under the authority of the general laws of the State, particularly the Uniform Bond Act and Sections 2293-87 and 2293-88 thereof, and pursuant to a resolution duly adopted and passed by the Board of Education on Sept. 22, 1941. The bonds will be sold to the highest bidder for not less than par and accrued interest. All bids must state the number of bonds bid for and the gross amount of bid and accrued interest to date of delivery. The proceeds had and taken in the issuance of these bonds have been taken under the direction and supervision of Taft, Stettinius & Hollister, of Cincinnati, whose unqualified opinion as to legality of this issue will be furnished by the Board of Education to the purchaser without cost. No conditional bids shall be considered. Enclose a certified check for \$300, payable to the Board of Education.

Shaker Heights, Ohio

Bond Sale—The \$70,000 series M refunding bonds offered Sept. 22—v. 154, p. 38—were awarded to Field, Richards & Co. of Cleveland, as 1 $\frac{1}{4}$ s, at par plus a premium of \$1,143.60, equal to 101.619, a basis of about 1.41%. Dated Sept. 1, 1941 and due \$7,000 annually on Oct. 1 from 1946 to 1955 incl. Bonds will be subject to call or redemption at par before their maturities on any interest date on or after Oct. 1, 1946, in the inverse order of their maturity, provided that any remainder of bonds to be called over a complete maturity shall be apportioned by lot among the remaining maturities.

Second high bid of 100.76 for 1 $\frac{1}{4}$ s was made by Hayden, Miller & Co. of Cleveland.

Steubenville, Ohio

Bond Offering—J. A. Cartledge, City Auditor, will receive sealed bids until 1 P. M. (EST) on Oct. 20 for the purchase of \$38,000 not to exceed 6% interest paving bonds. Dated Nov. 1, 1941. Denom. \$1,000. Due Nov. 1 as follows: \$3,000 in 1943 and 1944, and \$4,000 from 1945 to 1952 incl. Prin. and int. (M-N) payable at the City Treasurer's office. Any bidder desiring to bid for such bonds at a different rate of interest may do so providing he complies with Section 2293-28 of the General Code of Ohio. A certified check for \$380 payable to order of the City Treasurer, is required.

Note Sale—The \$70,000 street repair notes offered Sept. 22—v. 154, p. 38—were awarded to Ryan, Sutherland & Co. of Toledo, as 0.75s, at a price of 100.21, a basis of about 0.64%. Dated Oct. 1, 1941 and due Oct. 1, 1943. Second high bid of 100.151 for 0.75s was made by Stranahan, Harris & Co., Inc. of Toledo.

Toledo, Ohio

Bond Election—An issue of \$90,000 library construction bonds will be considered by the voters at the November election.

Bonds Sold To Sinking Fund—Rudy Klein, City Auditor, advises that the \$10,000 3% 2-year sidewalk bonds scheduled for award on Sept. 30—v. 154, p. 136—have been sold to the Commissioners of the Sinking Fund, as 2s.

Winchester, Ohio

Bonds Voted—At an election on Aug. 30 the voters authorized an issue of \$20,000 water system bonds.

Worthington, Ohio

Bond Sale—The \$26,300 coupon special assessment street improvement bonds offered Sept. 19—v. 153, p. 1311—were awarded to Stranahan, Harris & Co., Inc., Toledo, as 1 $\frac{1}{4}$ s, at par plus a premium of \$43, equal to 100.163, a basis of about 1.47%. Dated Aug. 1, 1941 and due as follows: \$1,400 Feb. 1 and Aug. 1, 1942; \$1,400 Feb. 1 and \$1,300 Aug. 1, 1943; and \$1,300 on Feb. 1 and Aug. 1 from 1944 to 1951 incl. Other bids:

Bidder	Int. Rate	Rate Bid
J. A. White & Co.	1 $\frac{1}{4}$ %	100.146
VanLahr, Doll & Ishpording	1 $\frac{1}{4}$ %	100.05
Ryan, Sutherland & Co.	1 $\frac{1}{4}$ %	100.63
Seasongood & Mayer	1 $\frac{1}{4}$ %	100.63
Worthington Savings Bank	2 $\frac{3}{4}$ %	Par

OKLAHOMA

Okmulgee, Okla.

Bond Sale Details—The Commissioner of Finance states that the \$68,000 refunding bonds sold recently as 2 $\frac{1}{4}$ s—v. 154, p. 136—were purchased jointly by the Citizens National Bank, and the Central National Bank, both of Okmulgee, at par. Interest payable F-A.

OREGON

North Bend, Ore.

Bond Sale—The \$19,000 refunding bonds offered for sale on Sept. 23—v. 153 p. 873—were purchased by Daugherty, Cole & Co. of Portland, according to the City Clerk.

Port of Astoria (P. O. Astoria), Ore.

Bond Offerings Invited—We are informed by Atkinson-Jones & Co. of Portland, that they are in a position to use a limited amount of the 3 $\frac{1}{2}$ % refunding bonds of the above port, due on Jan. 1, 1965, at the current market of 96.50. Holders of such bonds desiring to make offerings should communicate with the said firm, whose street address is 333 U. S. Bank Building.

PENNSYLVANIA

Dale (P. O. Johnstown), Pa.

Proposed Bond Issue—Borough plans to make an offering of \$30,000 bridge construction, street improvement and storm sewer construction bonds.

Johnstown School District, Pa.

Bond Sale—The \$200,000 coupon refunding bonds offered Sept. 24—v. 154, p. 39—were awarded to Phelps, Penn & Co., Inc., New York, as 1 $\frac{1}{2}$ s, at par. Dated Oct. 1, 1941 and due \$20,000 annually on Oct. 1 from 1942 to 1951 incl. Other bids:

Bidder	Int. Rate	Rate Bid
Halsey, Stuart & Co., Inc.	1 $\frac{1}{2}$ %	100.3
Farnall & Co.	1 $\frac{1}{2}$ %	100.11
S. H. Rollins & Sons, Inc.	1 $\frac{1}{2}$ %	100.6
Blair & Co., Inc.	1 $\frac{1}{2}$ %	100.3
Barclay, Moore & Co.	1 $\frac{1}{2}$ %	100.7
Moore, Leonard & Lynch	1 $\frac{1}{2}$ %	101.1
Hemphill, Noyes & Co.	2%	101.04

Pennsylvania, State of

Local Government Institutes Finds Local Debt History Favorable

The following interesting facts are taken from the September number of the monthly bulletin issued by the Department of Internal Affairs, at Harrisburg:

History Favorable

In view of the recently enacted law, Act No. 87 of the 1941 legislative session, known as the Municipal Bond Law, the findings of Dr. H. A. Alderfer and his associates of the Local Government Institute of Pennsylvania State College, relative to Pennsylvania's local debt history, are especially interesting and timely.

Pronouncing Pennsylvania's experience along this line as "favorable," the Institute, in a recently issued mimeographed bulletin, has this to say:

"The last fifty years of Pennsylvania local debt administra-

tion divides itself into two unequal parts. The first forty years may be generally characterized as a period of optimism and increasing debts. From 1890 to 1930 people did not hesitate to spend large sums of public money on building and other construction programs. During this period, the local government debt doubled every decade, and by 1932 had increased to seventeen times its size in 1890.

"The outstanding characteristics of the local debt situation since 1930 have been financial distress evidenced by tax delinquency, retrenchment of current expenditures, and a reduction in the average size of the local debts. However, Pennsylvania defaults during the depression were comparatively few in number. Of the 3,000 defaults in the country, only 65 are recorded as having occurred in this state. That these defaults were a depression phenomenon is made clear by an examination of local defaults prior to 1940. During the seventy-five preceding years, only 23 local government defaults occurred in Pennsylvania.

"Of the 65 defaults occurring in the last ten years, two involved county governments; three were by city governments; 25 were by borough governments; 13 were of township governments; and 22 were by school districts. Fifty-six of the defaulting units have populations of less than 13,000, while only two of them have populations of more than 25,000.

"The defaults may be divided into three types. Twenty-eight governmental units defaulted on principal; thirty-one defaulted on interest; and five defaulted for technical reasons, such as adverse court orders in legal proceedings or simply forgetting to pay on the due date. A few defaulted on both principal and interest.

Defaults Caused by Tax Delinquency

"Three fundamental factors contributed to the marked increase in local bond defaults after 1930: (1) the tremendous increase in general property tax delinquency, (2) poor sinking fund management, (3) the existence of overlapping tax units each with separate and independent borrowing capacity. Bank failures, a major factor in many other states, had very little bearing on the Pennsylvania situation.

"The impact of tax delinquency on local governments during the depression is a matter of record, and is traceable directly to the dislocation of our national economic structure. Bearing a more intimate relationship to the 'why' of tax delinquency is the heavy debt burden placed on the same communities by overlapping units of government. Constitutional debt limitations, intended to safeguard communities from overbonding, are rendered less effective by the existence of overlapping tax units, each with the power to tax up to seven or ten percent of the assessed valuation of the taxable property. Under these circumstances, a maximum debt ranging from 28 to 40 percent of the assessed valuation could be incurred in the same geographical area. In some communities, the weight of overlapping debt caused multiple defaulting. A total of 13 of the defaulting local government units overlap one or more of the other defaulting units.

Heavy Debt Basic Cause of Defaults

"No detailed study of the overlapping debts for the entire State is available, but the extent to which this condition exists is indicated by a study of twenty local government units in Allegheny County. Of the twenty units, nineteen had populations in excess of 1,000, nine of which were larger than 13,000. The total local debt ranged from a

low of 13.3 percent to a high of 20.8 percent of assessed valuation. For Allegheny County as a whole, the average debt of four cities in 1937 was 12.6 percent; of 64 boroughs it was 13.4 percent; and of 28 townships it was 12.5 percent.

"Although the total local debts of overlapping units are often far in excess of the local debt limitation for each separate tax unit, there have been but few cases in which defaulting governments even approach the maximum indebtedness permitted by the Constitution. According to a recent study by the Pennsylvania State Planning Board, only nineteen units incurred debts in excess of two-thirds of their maximum limitations during the period 1922 through 1937. Furthermore, only two of the 65 defaulting communities had exceeded two-thirds of their legal limitations.

Penna. Local Debt Is Over Billion Dollars

"The total local government debt in Pennsylvania in 1937 was \$1,058,000,000. Of this amount \$621 millions were owed by cities, \$224 millions by school districts, \$188 millions by counties and \$25 millions by other taxing units. Nearly one-half of all local debt was incurred by Philadelphia and Pittsburgh and 8 percent of the city debts were owed by these two cities. Approximately one-half of their debt was incurred in the construction of street and transit facilities. Expenditures on hospitals, and sewer and water projects each accounted for a substantial percentage of the remainder of their bond obligations. Counties incurred over two-thirds of their debts for roads and bridges and nearly 12 percent for public property.

Pennsylvania Stands Well in the Bond Market

"From 1907 to 1918 the yearly average interest rate on Pennsylvania city bonds varied from 4.17 percent to 4.31 percent, and that of counties from 4.0 percent to 4.5 percent. The next five years were affected by the First World War and rates for city and county bonds ranged from 4.1 percent to 5.17 percent. The post-war years brought a return of rates comparable to those prior to the war. Beginning in 1933, and continuing until 1937, there was a constant downward trend in rates, with low averages of 2.36 percent for cities and 1.71 percent for counties being reached in 1936. Since 1936, municipal bond rates, both in Pennsylvania and in other states, have increased slightly. Pennsylvania local governments have enjoyed a favored position in the bond markets, both before and during the depression. In 1930, for example, the local governments of only five other states had a lower average rate. The Pennsylvania average was 4.28 percent while that of the lowest state, Massachusetts, was 3.9 percent.

Federal Aid Decreases Local Indebtedness

"Since 1932, there has been a general improvement in the local debt situation in the United States as a whole as well as in Pennsylvania. The improvement can be attributed to two salient factors: (1) there has been a general retrenchment in locally-supported capital improvements. The yearly volume of bonds registered with the Department of Internal Affairs by cities of more than 30,000 in population decreased from \$567 millions in 1932 to \$540 millions in 1939; that of cities of the third-class declined from \$45 millions to \$28 millions during the same period. (2) The Grants-in-aid by the Federal Government for emergency public works has decreased the number and amount of bonds issued for local improvements. The per capita local debt in Pennsylvania declined almost one

percent between 1932 and 1940; but the decrease was not as pronounced as the national average for local government debt.

Recent Debt History in Other States

"The financial distress of local governments during the past decade has brought with it a large volume of legislation designed to remedy the difficulties of those communities which were forced to default. Some of the legislation gave a temporary advantage to the defaulting local units at the expense of the bondholders. Perhaps the outstanding attempt to compromise the position of creditors occurred in Florida, where laws were passed authorizing defaulting communities to restrict the right of bondholders to protect their investments fully. These laws were declared void by state and federal courts.

"Several states made a special effort to prevent local defaults by assisting distressed local governments in meeting their obligations. This was accomplished by diverting certain state taxes, by making state loans to local units, or by creating revolving funds which could be tapped by the local governments to tide them over until they could obtain liquid assets. There have been only a few cases in which states have assumed part of the debts of defaulting local governments.

Supervise Defaulting Local Units

"The trend of recent state legislation has tended toward placing special restrictions on defaulting governments. Several states passed preventive legislation which requires state review of proposed bond issues, similar to that which has existed in Pennsylvania since 1927. Other states, in which the default problem has been acute, have set up a strict control over the finances of defaulting communities.

"The Kansas Cash Basis Law of 1933 permitted the refunding of outstanding debts, and provided that where this method is used to prevent default the local government involved shall operate on a pay-as-you-go basis until the refunded debts are paid. New Jersey has a similar law.

Federal Aids to Debt Adjustments

"Federal legislation on municipal bankruptcy has had several years of constitutional litigation. The first act, passed by Congress in 1934, was declared unconstitutional by the U. S. Supreme Court in the case of *Ashon vs. Cameron County Water District*. In 1937, Congress passed the Municipal Debt Relief Act to remedy the constitutional defects and take the place of the invalidated Municipal Bankruptcy Act. This act provided that an insolvent municipality, with the consent of creditors representing 51 percent of the defaulted indebtedness, may petition a federal court. The court is then empowered to work out a debt readjustment plan which, if approved by creditors holding two-thirds or more of the defaulted obligations, is declared applicable to all creditors of the obligations affected. The constitutionality of this act was upheld by a decision of the U. S. Supreme Court in the case of *United States vs. Bekins; Lindsay-Strathmore Irrigation District vs. Bekins*.

"The 1937 act expired on June 30, 1940, whereupon it was amended extending the provisions to include special assessment districts and county governments, heretofore omitted; and extending the effective date of its provisions to June 30, 1942.

General Conclusions

"The nature of the regulatory and supervisory legislation aimed at defaulting governments in various states has been dependent on the extent and serious-

ness of the local government debt situation in the area involved. Florida is a notable exception to this rule. On the other hand, some of the New England states enacted rather stringent legislation on local debt administration and control, even though local government defaults in that section were relatively infrequent. "Pennsylvania has enacted no legislation of this type during the past decade. The previously established controls over local debt coupled with the relatively small number of defaults can be advanced as reasons why no additional legislative restrictions were placed on Pennsylvania local governments during the depression years."

Polk Township School District (P. O. Stroudsburg), Pa.

Bond Sale—The issue of \$16,000 refunding bonds offered Sept. 25—v. 154, p. 232—to Johnson & McLean, Inc. of Pittsburgh. Dated Oct. 1 1941 and due Oct. 1 as follows: \$3,000 in 1943; \$1,500, 1944 and 1945; \$2,000, 1946; \$1,500 from 1947 to 1950 incl. and \$2,000 in 1951.

Springfield Township School District (F. O. Mill Run), Pa.

Bond Election—An issue of \$100,000 construction bonds will be considered by the voters at the November general election.

RHODE ISLAND

Cranston, R. I.

Note Sale—The \$200,000 tax anticipation notes offered Sept. 23—v. 154, p. 232—were awarded to the First National Bank of Boston, at 0.28% discount. Dated Sept. 25 1941 and due in installments of \$100,000 each on May 28 and Aug. 28, 1942. Lee Higginson Corp., second high bidder, named a rate of 0.285%.

SOUTH CAROLINA

Lake City, S. C.

Maturity—The Town Clerk states that the \$12,900 3% semi-ann. paving assessment certificates sold to James Conner & Co. of Charleston, at 100.11—v. 154, p. 233—are due on Sept. 1 as follows: \$2,500 in 1942, \$3,000 1943, \$3,500 in 1944 and \$3,900 in 1945, giving a basis of about 2.96%.

Lancaster, S. C.

Maturity—The \$16,500 3% semi-ann. paving assessment certificates sold to Hamilton & Co. of Chester, at par—v. 154, p. 233—mature on Aug. 15 as follows: \$2,000 in 1943 to 1949, and \$2,500 in 1950. Prin. and int. payable at the Central Hanover Bank & Trust Co. of New York.

SOUTH DAKOTA

Arlington, S. Dak.

Bond Election—The issuance of \$30,000 not to exceed 3% semi-ann. city hall bonds will be submitted to the voters at an election scheduled for Sept. 30.

Wall, S. Dak.

Bond Offering—Sealed bids will be received until 8 p.m. on Oct. 6, by Lionel M. Jensen, Town Clerk, for the purchase of \$12,000 4% water system bonds. Denom. \$500. Due \$1,000 from June 1 1943 to 1954 incl. A certified check for 5% of the bid is required.

TENNESSEE

Lenoir City, Tenn.

Bond Call—It is stated by S. H. Smith, City Recorder, that the following refunding bonds are being called for payment on Nov. 1: Series K, Nos. 285 to 339. Series N, Nos. 500 to 513. Series O, Nos. 514 to 553.

All dated May, 1, 1936. Due May 1, 1956, callable on any interest payment period.

TEXAS

Abilene, Texas

Bond Exchange Offer—Holders of the above city's 4 3/4% and 5% refunding bonds, dated Oct. 1,

1938, and due serially from 1957 to 1978, optional Oct. 1, 1943, are offered the right to exchange their bonds through a syndicate consisting of Paine, Webber & Co., of Chicago, Commerce Trust Co., of Kansas City, Mo., Callahan & Jackson, Inc., of Dallas, William N. Edwards & Co., of Fort Worth, Seasingood & Mayer, of Cincinnati, R. A. Underwood & Co., Inc., of Dallas, and Wells-Dickey Co., of Minneapolis, for new refunding bonds to be dated Oct. 1, 1941. The new refunding bonds will bear the same rate of interest as the old bonds to the optional date, Oct. 1, 1943, after which date, the bonds will bear interest at 3%, 3 1/2% or 3 3/4%, depending upon the issue. For the convenience of the bondholder and for reasons of marketability, each refunding bond will bear two sets of coupons.

Ballinger Independent School District (P. O. Ballinger), Texas

Bond Sale—We understand that R. A. Underwood & Co., of Dallas, have purchased an issue of \$30,000 semi-ann. school bonds, paying a premium of \$36.50, equal to 100.21. Bonds mature as follows: as 2 1/4% in 1942 and 1943, and 1944 to 1957 as 2 1/2%.

Bellville, Texas

Bond Sale Details—The City Secretary now states that the \$78,000 semi-ann. light and power system revenue bonds sold in June, were purchased by Mahan, Dittmar & Co. of San Antonio, at par, as follows: \$10,000 as 2 1/4%, due from June 15 1943 to 1946, \$18,000 as 2 1/2%, due on June 15 in 1947 and 1948, and \$50,000 as 3s, due from June 15 1952 to 1961 incl.

Bexar County (P. O. San Antonio), Texas

Bonds Sold—We understand that Dewar, Robertson & Pancoast, of San Antonio, have purchased an issue of \$27,000 2 3/4% semi-ann. refunding bonds.

Brazoria County Water Control and Improvement District No. 1 Vidor School District (P. O. Vidor), Texas

Bond Sale Details—In connection with the sale of the \$5,000 (Not \$50,000) 4% semi-ann. gymnasium and construction bonds at par to the State Permanent School Fund, as noted here last April, it is now stated that the bonds mature \$1,000 from May 1 1941 to 1945.

Bridgeport, Texas

Bond Sale—It is stated by Mayor J. V. Montrieff that Crummer & Co., of Dallas, have purchased an issue of \$70,000 4% semi-ann. electric light and power revenue bonds. Dated Oct. 1, 1941. Due in 1942 to 1959.

Brownsville Independent School District (P. O. Brownsville), Texas

Bond Refunding—An order is said to have been passed authorizing \$904,000 refunding bonds bearing interest ranging from 3% to 5% and maturing in 35 years, to refund outstanding 5% bonds. The Federal District Court has approved the district's plan of composition providing for the issuance of the bonds.

Corpus Christi, Texas

Bond Election Contemplated—We understand that the city is contemplating calling an election the latter part of October for a vote on the issuance of \$1,500,000 to \$2,000,000 bonds to be used for various public projects. Completion of plans for the proposed bond election are contingent upon action of the Federal Government on several applications made by the city for Federal aid on the various improvement projects, which include a recreation center, health center, general hospital, and street, sewer, water and drainage improvements.

Crosby County Road District No. 1 (P. O. Crosbyton), Texas

Bond Election—We understand that an election has been called for Oct. 4, to submit to the voters an issue of \$25,000 not exceeding 3 1/4% road construction bonds.

Cuero, Texas

Bond Authorization Pending—We understand an issue of \$250,000 drainage bonds is under consideration, to be financed through a tax remission bill which will be introduced in the Legislature.

Dallas, City and County Levee Improvement District (P. O. Dallas), Texas

Bond Judgment Sought—A suit was said to have been filed in the Federal Court recently by three holders of \$904,000 refunding bonds the above district, asking for judgment against the district in the amount of coupons attached to the bonds which are alleged to be past due and unpaid. The three men, C. K. Baxter, of Penn., John G. Getz, Jr., of Mich., and Kenneth M. Keefe, of Florida, ask in addition to the judgment that the levee district and County Tax Collector Ed Cobb, who is also named as a defendant, be instructed by Federal Court to use every means available to collect delinquent taxes so that the interest coupons past due can be paid and others met as they come due. The petition recites that on June 1, 1928, \$6,000,000 in \$1,000 bonds were issued on the levee district, bearing interest coupons at 5 1/2%, interest due beginning with April 1, 1929, and semi-ann. thereafter. On Jan. 31, 1938, refunding bonds were issued, the petition continues, each with \$5 coupons attached and due annually. It is alleged the plaintiffs hold an aggregate of \$904,000 of these bonds and that although the \$5 coupons have matured, none has been collected. The plaintiffs allege they have requested that County Tax Collector Cobb collect the delinquent taxes which would meet the obligations, but that they have been informed by Mr. Cobb that the district had no attorney to institute such suits and that they will "not do anything to collect said delinquent taxes."

Galveston, Texas

Water Bond Issuance Contemplated—The Galveston "News" of Sept. 20 carried the following report:

The revised waterworks project for Galveston calls for the expenditure of \$1,000,000, of which the federal works agency, defense public works division, will supply \$500,000 and the city the other \$500,000, according to correspondence in the office of Mayor Brantly Harris.

Thursday night the Associated Press in a dispatch from Washington quoted John M. Carmody, federal works administrator as announcing that an allotment had been made for this project on the following basis: Cost, \$1,282,000, grant \$182,000, loan \$600,000, sponsor \$500,000.

"These figures were set up in the city's original application," Mayor Harris said yesterday. "Later a conference was held in Washington between city officials and officials of the federal works agency when the project was revised to cost \$1,000,000 instead of \$1,282,000. Under the new agreement the city will receive a grant of \$500,000 and will match this with money accruing through the sale of bonds of a special waterworks issue. I have a letter in my files from G. F. Harley, Fort Worth, regional director of the defense public works division, dealing with this revision of the program as worked out at the conference in Washington and have advised Mr. Harley that the new setup, based on a total of \$1,000,000, is satisfactory to the city."

Georgetown, Texas

Bond Sale—It is stated that Rauscher, Pierce & Co., of Dallas, have purchased an issue of \$25,000 semi-ann. airport bonds, paying a premium of \$35.50, equal to 100.14. Bonds mature in 1943 to 1952 as 2 1/4s and in 1953 to 1966 as 2 1/2s.

Greenville, Texas

Bond Sale—The \$60,000 semi-ann. airport of 1941 bonds offered for sale on Sept. 16—v. 154, p. 40—were awarded jointly to the Greenville National Exchange Bank, and the Citizens National Bank, both of Greenville, as 2s, paying a price of 100.054, a basis of about 1.99%. Dated Sept. 1, 1941. Denom. \$1,000. Due Sept. 1, as follows: \$1,000 in 1942 to 1945, \$2,000 in 1946, \$4,000 in 1947, \$5,000 in 1948 to 1951, and \$6,000 in 1952 to 1956. The City Council may and in its discretion and option on or after Oct. 1, 1952 declare any or all bonds then outstanding or which may thereafter become due (being bonds Nos. 31 to 60) to be due and payable upon giving the holders thereof 30 days' notice of such intention.

Haskell County Road District No. 1 (P. O. Haskell), Texas

Bonds Voted—We understand that at a recent election \$10,000 road construction bonds were approved by the voters.

Jefferson County Water Control and Improvement District No. 1 (P. C. Beaumont), Texas

Bond Election—It is reported that an election has been called for Oct. 11, to submit to the voters an issue of \$25,000 not exceeding 4% combination tax and revenue water bonds.

Lamesa, Texas

Bond Sale Details—It is now stated that the \$75,000 water works and sewer system revenue bonds sold at par to Crummer & Co. of Dallas, as noted here in March, were purchased as 3 1/2s, are dated March 1 1941, and mature on Sept. 1 as follows: \$2,000 in 1942 to 1945, \$3,000 in 1946 to 1949, \$4,000, 1950 to 1954, and \$5,000 in 1955 to 1961; callable on March 1 1951, or on any interest payment date thereafter. Prin. and int. (M-S) payable at the Mercantile National Bank of Dallas.

Lavaca County (P. O. Hallettsville), Texas

Bond Election—We understand that an election has been called for Oct. 4, to submit to the voters an issue of \$75,000 road construction bonds.

Nueces County (P. O. Corpus Christi), Texas

Bond Sale—We understand that the Columbia Securities Corp., of San Antonio, has purchased an issue of \$10,500 2 1/2% semi-ann. road and bridge refunding bonds, at par.

Odessa, Texas

Bonds Voted—It is stated by R. T. Waddell, Mayor, that at a recent election bonds aggregating \$100,000 and divided as follows: \$75,000 water improvement, and \$25,000 sewer system bonds, were approved. The bonds are to be marketed when a WPA grant is approved.

Pasadena, Texas

Warrant Authorization Contemplated—It is reported that the City Commission recently gave notice that it intends to pass an ordinance calling for an issue of \$50,000 not exceeding 4% public improvement warrants.

Perryton, Texas

Bond Sale Correction—In connection with the sale of the \$296,000 refunding, series 1941 bonds to a syndicate headed by Paine, Webber & Co. of Chicago, as noted here—v. 154, p. 234—it is now stated that V. P. Oatis & Co. of Chicago, not Otis & Co.

of Cleveland, was included in the successful group.

Refugio County Road District No. 2 (P. O. Refugio), Texas

Bonds Sold—It is stated by T. G. Jeter, County Judge, that \$200,000 semi-ann. road bonds were purchased on Sept. 25 by Crummer & Co. of Dallas, and Mahan, Dittmar & Co. of San Antonio, jointly, paying a premium of \$255, equal to 100.127, a net interest cost of about 2.13%, on the bonds divided: \$38,000 maturing Oct. 1, \$7,000 in 1942 and 1943, \$8,000 in 1944 to 1946, as 1 3/4s, \$142,000 maturing Oct. 1, \$9,000 in 1947 to 1951, \$10,000 in 1952 to 1955, \$11,000 in 1956 to 1958, \$12,000 in 1959 and 1960, as 2 1/4s, and \$20,000 maturing Oct. 1, \$12,000 in 1961, and \$8,000 in 1962, as 1 3/4s. Dated Oct. 1, 1941. Denom. \$1,000. Subject to call at a price of par and accrued interest at any time on or after five years from their date. Prin. and int. payable at the State Treasurer's office. These bonds were authorized at an election held on Sept. 18, by a vote of 200 to 8. Legality approved by Chapman & Cutler of Chicago.

San Patricio County (P. O. Sinton), Texas

Bond Issuance Approved—We understand that the Commissioners Court recently approved the issuance of \$12,500 3 1/2% semi-ann. road and bridge refunding bonds.

Taft, Texas

Bond Sale—We understand that the Columbia Securities Corp., of San Antonio, has purchased an issue of \$20,000 2 3/4% semi-ann. street improvement bonds.

Tom Green County (P. O. San Angelo), Texas

Bonds Sold—We understand that R. A. Underwood & Co., of Dallas, have purchased an issue of \$25,000 semi-ann. park purchase bonds, paying a premium of \$45.00, equal to 100.18. Bonds mature in 1942 to 1946 as 2 1/4s and in 1947 to 1952, as 2s.

Waller County (P. O. Hempstead), Texas

Bonds Sold—We understand that Mahan, Dittmar & Co., of San Antonio, have purchased at par an issue of \$18,000 3 1/2% semi-ann. road and bridge refunding, series A, bonds. Due from Aug. 15, 1952 to 1957.

Winkler County (P. O. Kermit), Texas

Bond Election Pending—It is reported that the Commissioners Court has been presented with a petition calling for an election to submit to the voters an issue of \$200,000 road construction bonds.

VIRGINIA**Norfolk, Va.**

Bond Issuance Contemplated—We understand that in connection with a report that a project for constructing school facilities to cost \$783,947 has been approved by the Federal Government, A. Preston Breeden, City Auditor, states that the city has several projects in mind under the Latham Act, for which it will be necessary to issue bonds, details have not been completed as yet.

WASHINGTON**Cowlitz County Consolidated Diking Improvement District No. 1, Wash.**

Fiscal Report Compiled—The Bondholders' Committee has issued a report to the holders of certificates of deposit representing bonds of the above district, dated Sept. 15 1941. The report contains a statement of the financial condition of the district, and report on the committee's account, sinking fund account and deposited bond account as of June 30, 1941 and other data. The secretary of the committee is Stanley R. Manske, c/o Investment De-

partment, First National Bank of Saint Paul, Saint Paul, Minn.

Seattle, Wash.

League Asks Plan to Wipe Out City Debt—We quote in part as follows from the Seattle "Post-Intelligencer" of Sept. 16:

Declaring the city's total deficit has reached an all-time high of \$5,572,000, the Seattle Municipal League urged the city council yesterday to adopt a long range program as soon as possible to "wipe out the shortage which has accrued over a period of years."

At the same time, the league recommended that the council give the people an opportunity to vote on the question whether or not a special tax shall be levied to carry on a three-year improvement program which the park board has proposed in its 1942 budget estimate.

The league's recommendations highlighted a report on budget problems filed with council yesterday on the eve of its final budget deliberations, by Lyle Wilson, chairman of the league's city budget and finance committee.

"The league is certain that the council does not want a repetition of the situation of a few years ago in which continued deficit spending finally created a chaotic situation in city finance," the report declared.

"Yet the actual deficit, funded and unfunded, of the city which must be met by revenues from within the 15-mill tax limit reach a new record high by the end of this year. It has reached an all-time high of \$5,572,000 on December 31, 1940.

"Nearly \$500,000 is already called for in 1942 for debt services within the 15-mill limit, including interest on warrants. This is slightly over 2 mills on the assessed valuation of the city and this amount is scheduled to go up in succeeding years.

Skagit County School District No. 18 (P. O. Mount Vernon), Wash.

Bond Offering—Sealed bids will be received by George I. Dunlap, County Treasurer, until 10 a.m. on Oct. 4, for the purchase of \$8,500 not exceeding 4% semi-ann. building bonds. Due over a period of 20 years. All or any of the bonds are redeemable at any time after 5 years from the date thereof. Payable at the County Treasurer's office. Bidders are required to submit a bid specifying: (a) the lowest rate of interest and premium, if any, above par, at which the bidder will purchase the bonds, or (b) the lowest rate of interest at which the bidder will purchase the bonds at par, bearing interest at 4%. Enclose a certified check for 5% of the bid.

Yakima County Water District No. 4 (P. O. Yakima), Wash.

Bond Sale—The following bonds aggregating \$24,000 offered for sale on Sept.—v. 154 p. 139—were purchased by Paine-Rice & Co. of Spokane, according to the District Secretary: \$7,000 general obligation, and \$17,000 Local Improvement District No. 1 bonds. Dated July 1 1941. Due \$2,000 from July 1 1943 to 1952 incl.

WEST VIRGINIA**Point Pleasant, W. Va.**

Bridge Bonds Sold—An Associated Press dispatch from this city reported recently as follows: Arrangements for sale to the city of Point Pleasant of the "Silver Bridge" over the Ohio river between here and Kanawha, O., for \$1,050,000, were disclosed today by municipal officials and Dr. Charles G. Holzer, of Gallipolis, O., president of the West Virginia and Ohio River Bridge Company.

Mayor B. W. Krodell said approval for the transaction came on a unanimous vote by members of the Point Pleasant coun-

cil; and Holzer added that the agreement to sell will be delivered as soon as minor legal technicalities have been cleared.

The bridge company president added that 30-year, three per cent revenue bonds, to be retired entirely by tolls, will be issued. The bonds are callable, however, and may be retired sooner, after which he said the plan is to make the span toll-free.

Included in the purchase price, Holzer said, is a \$70,000 floor, for which the steel is already available.

Four investment houses will underwrite the bonds, he added. These were identified as Blyth and Company of New York, Chicago and San Francisco; Nelson-Browning and Company; Mangus and Company and C. A. Hirsch and Company, all of Cincinnati.

The bridge, which has its West Virginia terminus on the north bank of the Great Kanawha river, was constructed in 1928 at a cost of \$1,200,000.

Tolls vary annually, Holzer said, but he added that it was estimated they will total between \$135,000 and \$140,000 this year.

West Virginia, State of

Bond Sale—The \$500,000 coupon or registered semi-ann. road bonds offered for sale on Sept. 23—v. 154, p. 139—were awarded to a syndicate composed of the Union Securities Corp., Hemphill, Noyes & Co., and G. M. P. Murphy & Co., all of New York, paying a price of 100.001, a net interest cost of about 1.28%, on the bonds divided as follows: \$55,000 as 4s, due on April 1, \$20,000 in 1942 and 1943, and \$15,000 in 1944; the remaining \$445,000 as 1 1/4s, due on April 1, \$5,000 in 1944, and \$20,000 in 1945 to 1966.

Bonds Offered for Investment—The successful bidders re-offered the above bonds for general subscription priced to yield from 0.10 to 0.45%, on the 4s, and from 0.45 to 1.40%, on the 1 1/4s, according to maturity.

WISCONSIN**Menomonie, Wis.**

Bond Election Contemplated—It is stated by Alice Kenney, City Clerk, that the City Council recently passed a resolution calling for an election to submit to the voters an issue of \$225,000 school construction bonds, but advises that probably no action will be taken relative to calling an election for some time.

Shorewood School District No. 4 (P. O. 1701 E. Capital Drive, Milwaukee), Wis.

Bond Sale—The \$85,000 semi-ann. refunding, series G bonds offered for sale on Sept. 25—v. 154 p. 234—were awarded to the Harris Trust & Savings Bank of Chicago, as 1 3/4s, paying a premium of \$118.15, equal to 100.139, a basis of about 1.36%. Dated Nov. 1 1941. Due on Nov. 1 1956.

Whitefish Bay School District No. 1 (P. O. Whitefish Bay), Wis.

Bond Offering—Sealed bids will be received until 5 p.m. on Oct. 7, by Nelson C. Hall, Clerk of the Board of Education, for the purchase of \$41,000 4% refunding bonds. Denom. \$1,000. Due on Sept. 1 1958. A \$500 certified check must accompany the bid.

CANADA**ONTARIO****North York Township (P. O. York), Ont.**

Bonds Sold—Harrison & Co. of Toronto recently purchased \$350,000 bonds at a price of 97.52, a basis of about 3.75%. Sale consisted of: \$184,000 3% improvement bonds. Due from 1942 to 1946 incl.

166,000 3 1/2% improvement bonds. Due from 1947 to 1950 incl.

PRINCE EDWARD ISLAND**Charlottetown, P. E. I.**

Bond Sale—The Eastern Securities Co. of St. John recently purchased an issue of \$51,000 4 1/2% improvement bonds at a price of 103.75, a basis of about 4.25%. Due in 1961.

QUEBEC**Cap de la Madeleine Roman Catholic School District, Que.**

Bond Sale—Paul Gonthier & Co. and Gairdner & Co., both of Montreal, in joint account, purchased \$85,000 school bonds, comprising \$42,000 4s, due from 1943 to 1949 incl., and \$43,000 4 1/2s, maturing from 1950 to 1962 incl.

Quebec (Province of)

\$14,725,000 Bonds Publicly Offered—A syndicate headed by A. E. Ames & Co. of Toronto made public offering in Canada on Sept. 24 of \$14,725,000 3 1/2% sinking fund debentures at a price of 97.50 and accrued interest, yielding over 3.75%. Dated Oct. 1 1941 and due Oct. 1 1953. Callable on or after Oct. 1 1951. Principal and half-yearly interest (April 1st and October 1st) payable in lawful money of Canada in the Cities of Quebec, Montreal, Toronto, Winnipeg or Vancouver at the holder's option. Coupon debentures in the denominations of \$1,000, \$500 and \$100. Debentures may be registered as to principal only. These debentures will be subject to redemption at the option of the Province as a whole but not in part at 100% of the principal amount and accrued interest on October 1st, 1951 or on any subsequent interest payment date on at least sixty days' notice. Legal Opinion: Messrs. Montgomery, McMichael, Common & Howard.

In the opinion of Counsel, these debentures will be direct obligations of the Province of Quebec and will be a charge as to principal and interest upon the Consolidated Revenue Fund of the Province. The purpose of this issue is the refunding of loans heretofore effected by the Province aggregating \$15,000,000 principal amount (less sinking funds) maturing August 1st, 1941 and November 1st, 1941. A Sinking Fund of an amount at least equal to 1% of the face value of the outstanding debentures of this issue will be provided annually.

Underwriting Group—Associated with A. E. Ames & Co. in the public offering were the following: L. G. Beaubien & Co., Wood, Gundy & Co., Royal Securities Corp., Dominion Securities Corp., Nesbitt, Thomson & Co., W. C. Pittfield & Co., Collier, Norris & Henderson, Mills, Spence & Co., McLeod, Young, Weir & Co., Bell, Gounillock & Co., McTaggart, Hannaford, Birks & Gordon, Savard, Hodgson & Co., Inc., Mead & Co., Cochran, Murray & Co., Limited, Bartlett, Cayley and Company, Kerrigan, MacTier & Co., Harrison & Company, Midland Securities Limited, Rene-T. Leclerc, Inc., Sweezey Securities Limited, J. C. Boulet, Gairdner & Company, Dymont, Anderson & Co., Matthews & Company, Laguerre & DesRochers, J. E. Laflamme, La Corporation de Prets de Quebec, Burns Bros. & Denton, R. A. Daly Co., Oscar Dube & Cie, Inc. Hamel, Fugere & Cie, Clement, Guimont, Inc., Ross Bros. & Co., Ltd., Aldred & Co., Garneau, Boulanger, Societe de Placements Inc., Societe Generale de Finance, Inc., Des Jardines, Couture, Inc., Credit Anglo-Francaise, J. C. Rogers & Company, A. M. Ramsay & Company Canadian Alliance Corporation, Paul Gonthier & Co., Comptoir National de Placements P. E. Letourneau, Inc.

Course of Sterling Exchange

The market for sterling exchange is narrow and without feature. The free pound is steady in dull trading, showing hardly any deviation from official rates. The range for sterling this week has been between \$4.03 and \$4.03½ for bankers' sight, compared with a range of between \$4.03 and \$4.03½ last week. The range for cable transfers has been between \$4.03¼ and \$4.04, compared with a range of between \$4.03¼ and \$4.04 a week ago.

Official rates quoted by the Bank of England continue unchanged: New York, \$4.02½—\$4.03½; Canada, 4.43—4.47 (Canadian official, 90.09c—90.91c per United States dollar); Australia, 3.2150—3.2280; New Zealand, 3.2280—3.2442. American commercial rates for official sterling continue at 4.02 buying and 4.04 selling.

In London exchange is not quoted on Germany, Italy, or any of the invaded European countries. Since July exchange on Japan and China has been suspended by Government order. In New York exchange is not quoted on any of the Continental European countries, due to the June 14 Executive freezing order. Exchange on Japan and China was similarly suspended on July 26, but trading in the Shanghai yuan was resumed on Aug. 4 under special Treasury license.

Inclusion of Syria and Lebanon in the sterling area as from Sept. 15 was announced by the British Foreign Exchange Control. The sterling area includes territories under the sovereignty, protection, or mandate of the British Crown (except Canada and Newfoundland), and also includes Egypt, the Anglo-Egyptian Sudan, Belgian Congo, Ruanda-Urundi, Iceland, the Faroe Islands, French Cameroons, French Equatorial Africa, French Settlements in India, French Oceania, Syria and Lebanon.

Early Congressional authorization of the \$5,985,000,000 of additional lend-lease funds requested by the President is expected. On Monday the Reconstruction Finance Corporation advanced \$25,000,000 to the British Government, bringing the total paid on the \$425,000,000 loan authorized on July 22 to pay for war materials ordered in this country prior to the passage of the Lend-Lease Act. Collateral for these advances consists of British-owned securities in American companies valued at approximately \$175,000,000. In the last nine months British sales of American listed stocks requisitioned from British nationals and representing some 2,600,000 shares in nearly 100 companies have yielded more than \$70,000,000.

United States merchandise exports in July of \$359,000,000 were stated by the Department of Commerce on Sept. 19 to be at a higher level than in June or in the first six months of 1941. Relatively large lend-lease shipments to British Empire countries were reported and included \$46,000,000 of food. About two-fifths of the total exports were made under license control, of which about three-quarters were metals, and about one-half were non-metallic exports. July imports were valued at \$277,847,000, against \$279,536,000 in June. For the first 7 months exports totaled \$2,445,676,000 and imports \$1,871,944,000, indicating an export balance of \$573,732,000. In 1940 exports were \$2,381,056,000 and imports amounted to \$1,526,455,000, leaving an export balance of \$854,601,000.

A 15% increase in United States farm production during 1942 over the 1924-1929 level was stated by Secretary of Agriculture Claude A. Wickard as the goal required in order to fill domestic requirements, meet vast commitments to Great Britain, and provide a reserve to feed the hungry when fighting ceases. For this gigantic program Secretary Wickard told a subcommittee of the House Appropriations Committee on Tuesday that the Department of Agriculture will require at least \$1,000,000,000 of the \$1,850,000,000 proposed additional lend-lease fund allotted to agricultural and industrial commodities. He asserted that Britain must have \$1,000,000,000 of food between now and the end of February from the United States in order to survive. This sum would be assigned equally to three classes of purchases—pork products, dairy and poultry products, and fruits, vegetables, tobacco and cotton. During the last six months the Department of Agriculture has bought from American farmers more than 1,000,000 tons of concentrated foods for Great Britain.

Widespread profiteering in food and clothing has been unearthed by Scotland Yard and the British Food Ministry. It was disclosed that hundreds of tons of the most valuable foodstuffs, including stocks accumulated as invasion reserves, have been sold in black market operations conducted with both stolen goods and with supplies and funds obtained through dummy corporations. Some of the food racketeers are now living on prison diet, Lord Woolton, the British Food Minister, said in a recent broadcast, appealing to the public to help stamp out the abuse by refraining from buying black market goods.

Increase in the volume and rate of flow of materials into British industries is noted as a result in part of lend-lease aid, but is ascribed chiefly to the recent marked improvement in Britain's shipping position, with Atlantic cargoes moving more regularly by shorter routes and shipping losses reduced since June below an indicated annual rate of 2,000,000 tons, against 4,500,000 tons of British and 7,000,000 tons of British, Allied, and neutral merchant ships in the previous 22 months of war. Present combined British and American building schedules are conservatively estimated at more than 2,000,000 tons, and United States schedules call for expanded construction. The improved shipping position has been achieved in the face of persistent enemy action by reason of the shortened and better protected routes afforded convoys through American cooperation in naval patrol.

Foreign Exchange Rates

Pursuant to the requirements of Section 522 of the Tariff Act of 1930, the Federal Reserve Bank is now certifying daily to the Secretary of the Treasury the buying rate for cable transfers in the different countries of the world. We give below a record for the week just passed:

FOREIGN EXCHANGE RATES CERTIFIED BY FEDERAL RESERVE BANK TO TREASURY UNDER TARIFF ACT OF 1930
SEPT. 20, 1941, TO SEPT. 26, 1941, INCLUSIVE

Country and Monetary Unit	Noon Buying Rate for Cable Transfers in New York Value in United States Money					
	Sept. 20	Sept. 22	Sept. 23	Sept. 24	Sept. 25	Sept. 26
EUROPE—						
Belgium, belga	†	†	†	†	†	†
Bulgaria, lev	†	†	†	†	†	†
Czecho-Slovakia, koruna	†	†	†	†	†	†
Denmark, krone	†	†	†	†	†	†
England, pound sterling—						
Official	4.035000	4.035000	4.035000	4.035000	4.035000	4.035000
Free	4.033125	4.033125	4.032500	4.032500	4.032500	4.032500
Finland, markka	†	†	†	†	†	†
France, franc	†	†	†	†	†	†
Germany, reichsmark	†	†	†	†	†	†
Greece, drachma	†	†	†	†	†	†
Hungary, pengo	†	†	†	†	†	†
Italy, lira	†	†	†	†	†	†
Netherlands, guilder	†	†	†	†	†	†
Norway, krone	†	†	†	†	†	†
Poland, zloty	†	†	†	†	†	†
Portugal, escudo	†	†	†	†	†	†
Rumania, leu	†	†	†	†	†	†
Spain, peseta	†	†	†	†	†	†
Sweden, krona	†	†	†	†	†	†
Switzerland, franc	†	†	†	†	†	†
Yugoslavia, dinar	†	†	†	†	†	†
ASIA—						
China, Chefoo dollar (yuan)	†	†	†	†	†	†
China, Hankow dollar (yuan)	†	†	†	†	†	†
China, Shanghai dollar (yuan)	†	†	†	†	†	†
China, Tientsin dollar (yuan)	†	†	†	†	†	†
Hong Kong, dollar	.251000	.251000	.251000	.251000	.251000	.250875
India (British), rupee	.301300	.301300	.301300	.301466	.301713	.301713
Japan, yen	†	†	†	†	†	†
Straits Settlements, dollar	.471600	.471600	.471600	.471600	.471600	.471600
AUSTRALASIA—						
Australia, pound—						
Official	3.228000	3.228000	3.228000	3.228000	3.228000	3.228000
Free	3.213958	3.213125	3.213125	3.213125	3.213125	3.213125
New Zealand, pound	3.226750	3.225750	3.225750	3.225750	3.225750	3.225750
AFRICA—						
Union of South Africa, pound—	3.980000	3.980000	3.980000	3.980000	3.980000	3.980000
NORTH AMERICA—						
Canada, dollar						
Official	.909090	.909090	.909090	.909090	.909090	.909090
Free	.888984	.888660	.884910	.880714	.884921	.887578
Mexico, peso	.205460*	.205360*	.205420*	.205440*	.205420*	.205420*
Newfoundland, dollar						
Official	.909090	.909090	.909090	.909090	.909090	.909090
Free	.886458	.886041	.882500	.878333	.882500	.885000
SOUTH AMERICA—						
Argentina, peso—						
Official	.297733*	.297733*	.297733*	.297733*	.297733*	.297733*
Free	.237044*	.237044*	.237044*	.237044*	.237044*	.237044*
Brazil, milreis—						
Official	.060575*	.060575*	.060575*	.060575*	.060575*	.060575*
Free	.050600*	.050600*	.050600*	.050600*	.050600*	.050450*
Chile, peso—						
Official	†	†	†	†	†	†
Export	†	†	†	†	†	†
Colombia, peso	.569825*	.569800*	.569825*	.569800*	.569800*	.569825*
Uruguay, peso						
Controlled	.658300*	.658300*	.658300*	.658300*	.658300*	.658300*
Non-controlled	.438020*	.437750*	.437750*	.437750*	.437750*	.437750*

* Nominal rate. † No rates available. ‡ Temporarily omitted.

Weekly Return of the Member Banks of the Federal Reserve System

Following is the weekly statement issued by the Board of Governors of the Federal Reserve System, giving the principal items of resources and liabilities of the reporting member banks in 101 leading cities from which weekly returns are obtained. These figures are always a week behind those for the Reserve banks themselves.

ASSETS AND LIABILITIES OF WEEKLY REPORTING MEMBER BANKS IN 101 LEADING CITIES BY DISTRICTS ON SEPTEMBER 17, 1941
(In Millions of Dollars)

Federal Reserve Districts—	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
ASSETS													
Loans and investments—total	29,098	1,440	13,133	1,349	2,248	831	740	4,002	885	483	818	636	2,533
Loans—total	10,917	782	4,021	572	873	326	383	1,388	436	254	419	340	1,123
Commercial indus., and agricul. loans	6,362	430	2,596	306	421	159	192	913	256	134	255	231	469
Open market paper	394	87	92	44	22	13	6	52	22	3	28	2	23
Loans to brokers and dealers in secur.	469	13	341	27	13	3	6	44	4	1	3	4	10
Other loans for purchasing or carrying securities	437	16	205	32	19	13	11	60	12	6	11	14	38
Real estate loans	1,260	80	194	52	185	49	41	141	60	15	33	23	367
Loans to banks	40	4	32	—	1	—	1	—	1	—	—	—	1
Other loans	1,955	152	561	111	212	89	126	178	81	95	89	65	196
Treasury bills	844	17	480	1	9	2	9	266	3	8	7	32	19
Treasury notes	2,287	42	1,492	29	181	79	44	219	35	21	44	34	67
United States bonds	7,957	402	3,467	382	733	251	118	1,216	220	122	110	122	814
Obligations guar. by U. S. Govt.	3,320	72	1,985	96	183	105	70	361	80	38	104	48	178
Other securities	3,773	125	1,688	269	269	68	116	552	111	40	134	60	341
Reserve with Federal Reserve Banks	10,879	531	5,517	598	778	303	197	1,681	234	106	217	160	557
Cash in vault	551	152	108	25	54	27	16	84	15	8	18	13	31
Balances with domestic banks	3,676	210	283	222	416	284	278	633	201	122	354	328	345
Other assets—net	1,194	68	401	76	89	45	52	71	22	15	20	31	304
LIABILITIES													
Demand deposits—adjusted	24,375	1,460	11,638	1,247	1,790	670	543	3,401	593	353	649	598	1,433
Time deposits	5,430	230	1,129	257	746	211	193	999	191	111	141	133	1,089
United States Government deposits	615	13	139	19	46	37	51	135	25	2	19	40	89
Inter-bank deposits:													
Domestic banks	9,707	403	4,061	506	588	425	381	1,483	443	196	505	299	417
Foreign banks	613	21	553	5	1	—	2	9	—	1	—	—	20
Borrowings	1	1	—	—	—	—	—	—	—	—	—	—	—
Other liabilities	776	23	278	18	22	45	15	21	7	8	3	5	331
Capital accounts	3,881	250	1,644	218	392	102	98	423	98	63	110	92	391

According to an analysis released by the Office of Production Management on Wednesday United States appropriations of \$56,357,000,000 for national defense, plus \$3,569,000,000 of foreign, mostly British, war orders here reached a total of \$60,106,000,000 at the end of August. Airplanes represented 20.8% of the total, accounting for \$12,518,000,000. Ordnance amounted to \$11,937,000,000, or 19.19%, and shipping construction represented 19.2% of the total, with \$8,154,000,000 for naval tonnage, and \$3,358,000,000 for merchant vessels.

The increased output of munitions in Britain is ascribed by some industrial leaders in part to the enhanced skill gained by workers through experience in

handling their machines, and to new and better equipment, but chiefly to the incentive of high pay, which in some factories is inducing workers to put in 70 hours a week instead of the peacetime average of 40 hours.

Arrival of the British and American delegations in Moscow was reported on Sept. 22. Immediate shipment of planes and tanks in a constantly increasing flow was promised by W. Averell Harriman as part of the joint Anglo-American program of expediting aid to Russia. Means of replacing raw materials destroyed or lost in the struggle with Germany are being studied

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